

Submitted to MDG-F Secretariat - New York

Final Evaluation Report

Final Evaluation of the MDG-F Joint Programme:
“Economic Governance, Regulatory Reform and Pro-Poor Development in Albania”

Final Evaluation Report

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January 31, 2012

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LIST OF ABBREVIATIONS AND ACRONYMS

AA	Administrative Agent
ACA	Albanian Consumers Association
AWP	Annual Work Plan
CCMS	Consumer Complaint Management System
CP	Consumer Protection
CPA	Consumer Protection Associations
CPC	Consumer Protection Committee
CPS	Consumer Protection Surveillance
CTA	Chief Technical Advisor
CTI	Central Technical Inspectorate
DAC	Development Assistance Committee
DWU	Durres Water Utility
EBRD	European Bank for Reconstruction and Development
EC	European Community
EG	Economic Governance
EI	European Integration
ERE	EntiRregullatoriEnergjisë (Albanian Electricity Regulatory Body)
EU	European Union
FBS	Fee-Based Service
GDWS	General Directorate of Water Supply
GWh	GigaWatt Hour
IPS	Integrated Planning System
JP	Joint Programme
KESH	KorporataElektroenergjitikeShqiptare (Albanian Power Corporation)
KFW	German Development Bank
LSMS	Living Standards Measurement Study
MDG	Millennium Development Goal
MDG-F	Millennium Development Goal Achievement Fund
MDTF	Multi Donor Trust Fund
METE	Ministry of Economy, Trade and Energy
MPWTT	Ministry of Public Works, Transport and Telecommunication
MS	Market Surveillance
MSD	Market Surveillance Department
MSSAD	Market Surveillance and State Aid Directorate
NATO	North Atlantic Treaty Organization
NGO	Non Governmental Organization
NSC	National Steering Committee
NSDI	National Strategy for Development and Integration
NSSED	National Strategy for Socio-Economic Development
OECD	Organization for Economic Cooperation and Development
OST	Power Transmission System Operator
PMC	Programme Management Committee
PMF	Performance Measurement Framework
PSIA	Poverty and Social Impact Analysis
RBM	Results Based Management
RC	Resident Coordinator (UN)
SAA	Stabilization and Association Agreement

SMART	Specific, Measurable, Achievable, Relevant and Time-bound
TOR	Terms Of Reference
UCTE	Union for the Co-ordination of Transmission of Electricity
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNEG	United Nations Evaluation Group
USD	United States Dollar
WB	World Bank
WRA	Water Regulatory Authority
WSWG	Water Sector Working Group
WTP	Willingness To Pay
ZMK	Office for Consumer Protection (Consumer Association)

ACKNOWLEDGMENTS

This report was prepared by Mr. Jean-Joseph Bellamy, Senior Evaluator (JJ@Bellamy.net) and reviewed by Ms. Silvana Rusi, Evaluator. The Evaluation Team would like to express its gratitude and appreciation to all stakeholders they interviewed. Their contributions were most appreciated, and facts and opinions they shared played a critical part in this evaluation.

The Evaluation Team would also like to extend special thanks to the MDG-F Secretariat and especially the Joint Programme Management Team in Tirana who supplied key information and key contacts. A special thank you to Mr. Hachemi Bahloul, Chief Technical Advisor (CTA), Ms. Anula Guda, Programme Manager and Ms. Iris Panariti, Project Assistant who contributed greatly to the organization of the ten-day fact-finding mission in Albania.

DISCLAIMER

This report is the work of an independent Evaluation Team and does not necessarily represent the views, or policy, or intentions of the United Nations Development Programme (UNDP) and of the World Bank (WB).

EXECUTIVE SUMMARY

The MDG Achievement Fund (MDG-F) is an initiative funded by the Government of Spain and implemented by UN agencies to support countries in their progress towards the Millennium Development Goals (MDGs) and other development goals by funding innovative programmes that have an impact on the population and potential for duplication. The Fund operates through UN teams in each country and uses a joint programme mode of intervention that is divided into eight thematic windows corresponding to the eight MDGs. It has currently a total of 128 joint programmes approved in 49 countries.

The Democratic Economic Governance thematic window aims to support interventions that enhance access to, and provision of, services by utilities, increasing their efficiency and affordability at either a national or local level, and taking into consideration how the poor participate and benefit from these services. This window includes 11 joint programmes worldwide with a total value of about \$60M that focus mainly on strengthening governments’ capacity to manage water provision and water quality, including citizens, especially the poorest, in plans and policies regarding water, and increasing financial investments in the water provision sector.

The “*Economic Governance, Regulatory Reform And Pro-Poor Development In Albania*” Joint Programme (JP) started its implementation in January 2010 and will terminate in June 2012 pending the approval of a 5-month no-cost extension. It is part of four joint programmes funded by MDG-F for Albania¹. The JP has a total budget of about USD2.1M with USD1.35M allocated to UNDP and USD0.75 allocated to the WB. It is implemented by UNDP and the World Bank (WB) in partnership with the Ministry of Economy, Trade and Energy (METE) and the Ministry of Public Work and Transport (MPWT) as well as other national partners such as the Energy Regulatory Entity, the Water Regulatory Authority, the Durres water utility and consumer associations.

It was designed to help stakeholders to develop the individual and institutional capacity required to ensure the effective management, regulation and monitoring of key public utility sectors such as electricity and water and to strengthen the voice of consumers to promote and protect their rights and encourage accessible and affordable electricity and water services. The strategy was implemented through a set of three outcomes further divided into 8 outputs:

- *Outcome 1:* Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery;
- *Outcome 2:* Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies;
- *Outcome 3:* Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.

This final evaluation was initiated by the MDG-F Secretariat. Its main objective was to measure to what extent the joint programme has fully implemented its activities, delivered outputs, attained outcomes and specifically measuring development results and potential impacts. The evaluation also generated substantive evidence based knowledge by identifying lessons learned that could be useful to other development interventions at national and international level.

1 Culture and Heritage for Social and Economic Development (Culture and Development); Youth migration: Reaping the benefits and mitigating the risks (Youth, Employment and Migration); Albania: Reducing Malnutrition in Children (Children, Food Security and Nutrition); and Economic governance, regulatory reform, public participation, and pro-poor development in Albania (Economic Governance).

The findings presented in this report are based on a desk review of project documents and on interviews with key programme informants and programme staffs including a one and a half week mission to Albania. The methodology included the development of an evaluation matrix to guide the entire data gathering and analysis process. The findings were triangulated with the use of multiple sources of information when possible and the evaluation report is structured around the GEF five evaluation criteria: *Relevance, Effectiveness, Efficiency, Results/Impacts and Sustainability*.

The Main Findings of this Final Evaluation are:

Conclusion 1: The “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” JP was very relevant in the context of Albania’s development.

Conclusion 2: The JP fell short of fully piloting the One UN approach promoted by the MDG-F.

Conclusion 3: The relevance of the JP toward the implementation of MDGs in Albania was limited to the water sector and the Albanian-only MDG-9 that is to improve the governance for all citizens and especially for the most disadvantaged groups.

Conclusion 4: The design of the JP was weak; there was no stated objective/goal and the three outcomes were not well identified in the joint programme document.

Conclusion 5: The JP was effective in responding to national priorities and needs in the water, energy and consumer protection areas.

Conclusion 6: The change of focus under output 6 prevented the JP to contribute to the strengthening of consumer protection associations in Albania; opportunities were missed in this area to develop a stronger voice for consumers in Albania.

Conclusion 7: There is a strong national ownership of the JP that contributed to the effective implementation of the programme.

Conclusion 8: The flexibility of the JP was much appreciated by stakeholders and allowed to adapt to changes of national priorities and needs.

Conclusion 9: The monitoring system in place did not fulfill its intent that was to provide information on how well the JP was progressing toward the achievement of its expected results.

Conclusion 10: The deliverables produced by the JP will have long-term positive impacts on the implementation of better water and electricity supply systems and also on improving the consumer protection system in Albania.

Few lessons were identified:

- A high-level body reporting to the central government and coordinating all national strategies – including sectoral strategies – and external aid is a very effective government mechanism to maximize national/country ownership of programmes and projects.
- Two agencies with very different management procedures and decision-making processes cannot work efficiently without harmonizing their systems.
- Any programme/project needs a clear strategy with a well-defined objective and outcomes to guide the implementation of the programme/project.
- This type of joint programme needs an explicit inception phase with clear guidelines to review the design and adapt/update the programme to new realities.
- Flexibility is one critical success factor for this type of programme. It is only with a flexible approach that a programme of this nature can be fully responsive to national priorities and needs.

Recommendations for the Economic Governance Joint Programme

Recommendation #1: It is recommended to extend the joint programme by five months as per the request

formulated by the JP Management Team and approved by the PMC and the NSC.

Recommendation #2: It is recommended to package and make the information produced with the support of the JP available to the public through a web site.

Recommendations for the MDG-F initiative

Recommendation #3: It is recommended to conduct country-based evaluations in countries, which benefited from multiple joint programmes funded by the MDG-F to assess impacts of these JPs at country level.

Recommendation #4: It is recommended to formalize an inception phase at the start-up of these joint programmes and document it in an inception report that should become part of the design documents.

Recommendation #5: It is recommended to strengthen the formulation stage for these joint programmes with stronger guidelines. These guidelines should include the need to review the legislative, policy and institutional frameworks, identify national priorities, existing barriers, rationale for the programme, proposed strategy/set of expected results, management arrangements, budget, stakeholder involvement, risks management, long-term sustainability and performance measurement framework (including indicators to monitor expected developmental results).

Recommendation #6: It is recommended to review management modalities among UN agencies to manage/coordinate joint programmes and explore how these modalities could be better harmonized among UN agencies.

1. INTRODUCTION

1. In December 2006, the UNDP and the Government of Spain signed a major partnership agreement for the amount of €528 million, with the aim of contributing to progress on the MDGs and other development goals through the United Nations System. An additional pledge of €90 million was made by Spain on 24 September 2008 towards the launch of a thematic window on Childhood and Nutrition. The MDG Achievement Fund (MDG-F) supports countries in their progress towards the Millennium Development Goals and other development goals by funding innovative programmes that have an impact on the population and potential for duplication.

2. The MDG-F operates through UN teams in each country, promoting increased coherence and effectiveness in development interventions through collaboration among UN agencies. The Fund uses a joint programme mode of intervention and has approved 128 Joint Programmes (JPs) in 49 countries. These reflect eight thematic windows that contribute in various ways towards progress on the MDGs.

3. The Democratic Economic Governance thematic window aims to support interventions that enhance access to, and provision of, services by utilities, increasing their efficiency and affordability at either a national or local level, and taking into consideration how the poor participate and benefit from these services. Interventions in this area include: improve efficiency, access, affordability and quality of services provided by utilities at the national and local level; foster inclusive participation in decisions relating to public utilities, empowering the poor, women, youth and the marginalized; promote core democratic governance principles of equal representation, accountability and transparency at the national, regional and local levels, in economic policy making and governance; and develop and foster innovative partnerships with the private sector. This window includes 11 joint programmes worldwide with a total value of about \$60M that focus mainly on strengthening governments’ capacity to manage water provision and water quality, including citizens, especially the poorest, in plans and policies regarding water, and increasing financial investments in the water provision sector.

4. This report presents the findings of the independent final evaluation of the Joint Programme (JP) “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” that is funded by the MDG-F. The final evaluation was conducted by an Evaluation Team composed of a Senior Evaluator - Mr. Jean-Joseph Bellamy (JJ@Bellamy.net) and a National Evaluator - Ms. Silvana Rusi - on behalf of the MDG-F Secretariat during the period November-December 2011 (see *Terms of Reference in Annex 1*). It comprised four phases: inception, mission, analysis and writing draft/final report.

5. This final evaluation report includes seven chapters. Chapter 2 presents the context of the joint programme; Chapter 3 briefly describes the objective, scope, methodology, evaluation users and limitations of the evaluation; Chapter 4 presents the findings of the evaluation. Conclusions, lessons learned, and recommendations are presented in Chapters 5, 6 and 7 respectively and relevant annexes are found at the back end of the report.

2. OVERVIEW OF THE ALBANIAN JOINT PROGRAMME

6. Since 1991, Albania has made significant progress in the establishment of a democracy and market economy. The country enjoyed strong economic growth throughout the first decade of the 21st century, which was accompanied by considerable social progress and a positive tracking towards the achievement of a number of MDG targets in such areas as combating extreme poverty and gender inequalities, improving some aspects of health and expanding access to safe drinking water and sanitation.

7. Albania has made significant progress in its preparation for the European Union (EU) accession in terms

of meeting political criteria and establishing stable institutions that guarantee democracy, rule of law, human rights, protection of minorities and regional cooperation. Albania is also noted to have made progress in meeting criteria and related standards to approximate its legislation with the *acquiscommunautaire* in line with the Stabilization and Association Agreement (SAA) and European Partnership priorities. However, the passing of new laws needs to be accompanied or followed by measure that effectively build institutional capacity to enforce legislation and standards.

8. The energy and water sectors of Albania continue to be faced with many challenges such as insufficient client orientation and operational inefficiencies. To solve these problems the government has proposed several reforms in both sectors to improve efficiency and quality of services. Because the changes would include price increases, protecting poor consumers – both men and women – is seen as essential.

9. Within this context, it was found that ensuring the effective management, regulation and monitoring of key public utility sectors such as electricity and water and strengthening the voice of consumers to promote and protect their rights and encourage accessible and affordable electricity and water services was key to Albania’s prospects for achieving the MDGs, to meet the requirements for accession to the European Union (EU), to reduce social exclusion, regional disparities and informality, to achieve sustainability and reliability in the energy sector, and to facilitate the appropriate devolution of service delivery responsibilities from national to sub-national government bodies.

10. As a response the *Economic Governance, Regulatory Reform and Pro-Poor Development* joint programme was designed to help national stakeholders to develop the individual and institutional capacity required to meet these challenges. It addressed the above problems by using five broad strategies/actions:

- (a) Diagnosis of capacity needs and undertaking implied actions to strengthen the ability of the regulatory agencies to manage reforms;
- (b) Collection of and analysis of new data, such as willingness to pay for electricity and water, in order to anchor policy making on information gathered from consumers;
- (c) Building monitoring systems that measure and disseminate progress;
- (d) Strengthening the role of advocacy as a way to institutionalize consultation and participation of civic organizations;
- (e) Building partnerships with other donors and within government units.

11. The JP is in line with development results of Albania’s UNDAF that include more transparent and accountable government; greater participation in policy and decision making; increased access to quality basic services; and regional development. The joint programme was expected to achieve three outcomes and 8 outputs:

- **Outcome 1:** Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery;
 - *Output 1:* Key capacity constraints limiting the effectiveness of ERE and GDWS identified
 - *Output 2:* Remedies to address capacity constraints and improve performance designed/implemented
 - *Output 3:* Public relations of KESH, ERE and GDWS improved
 - *Output 4:* Public awareness on utility provision increased
- **Outcome 2:** Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies;
 - *Output 5:* State bodies’ capacity increased
 - *Output 6:* Consumer protection capabilities developed in 6 pilot regions
- **Outcome 3:** Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.
 - *Output 7:* Adequate mechanisms in place to facilitate effective tariff reform

- *Output 8*: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized

3. DESCRIPTION OF THE EVALUATION

3.1. Objective of the Evaluation

12. The final evaluation focuses on measuring development results and potential impacts generated by the JP. Its specific objectives are to:

1. Measure to what extent the joint programme has contributed to solve the needs and problems identified in the design phase and/or the inception phase.
2. Measure joint programme’s degree of implementation, efficiency and quality delivered on outputs and outcomes, against what was originally planned or subsequently officially revised.
3. Measure to what extent the joint programme has attained development results to the targeted population, beneficiaries, participants whether individuals, communities, institutions, etc.
4. Measure the joint programme contribution to the objectives set in their respective specific thematic windows as well as the overall MDG fund objectives at local and national level (MDGs, Paris Declaration and Accra Principles and UN reform).
5. Identify and document substantive lessons learned and good practices on the specific topics of the thematic window, MDGs, Paris Declaration, Accra Principles and UN reform with the aim to support the sustainability of the joint programme or some of its components.

3.2. Scope of the Evaluation

13. The object of study for this evaluation is the “*Economic Governance, Regulatory Reform And Pro-Poor Development In Albania*” JP, understood to be the set of components, outcomes, outputs, activities and inputs that were detailed in the JP document and associated modifications made during the implementation; particularly during its inception (*see TORs in Annex 1*). The final evaluation is summative in nature and seeks to:

1. Measure to what extent the joint programme has fully implemented their activities, delivered outputs and attained outcomes and specifically measuring development results.
2. Generate substantive evidence based knowledge, on one or more of the MDG-F thematic windows by identifying best practices and lessons learned that could be useful to other development interventions at national(scale up) and international level (replicability).

14. The findings, conclusions and recommendations generated by this evaluation will be part of the body of knowledge constituted by the M&E function of the MDGF at the joint programme level. This level is the first level of information of the MDG-F information structure that comprises four levels: (a) joint programme level, (b) partner country level, (c) thematic window level and finally (d) overall MDG-F level. The knowledge generated by this evaluation will be part of the thematic window meta-evaluation that the MDG-F Secretariat will conduct to synthesize the overall impact of the MDG fund at national and international level.

15. The evaluation process generated information to address the evaluation questions identified at the outset of this final evaluation. The evaluation questions provided in the TORs were compiled and expanded in an evaluation matrix (*see Annex 2*). This matrix includes a comprehensive list of evaluation questions and provides overall directions for the evaluation.

16. A particular emphasis was put on the current programme results against the expected outcomes of the

programme. More specifically, the evaluation assessed the three levels of the programme:

Design level

17. The assessment reviewed the relevance of the programme design. The extent to which the objectives of the joint programme were consistent with the needs and interest of the partners and end-users, the needs of the country, the Millennium Development Goals and the policies of partners and donors.

18. The evaluation looked at the ownership of the programme design by considering the national social actors’ effective exercise of leadership in the development interventions and to what extent the JP objectives reflected the national and regional plans and programmes, the identified needs (environmental and human) and the operational context of national policies.

Process level

19. The Evaluation Team evaluated the efficiency of the overall joint programme’s management model. They assessed the extent to which resources/inputs have been turned into results, the coordination among participating agencies and with the Albanian government and civil society and how the programme was monitored.

20. They also assessed the ownership of the process, including to what extent the target population and participants have taken ownership of the programme and its achievements and if counterpart resources have been mobilized.

Results level

21. The evaluation assessed the effectiveness of the programme in meeting its expected outcomes and objectives and also in contributing to the MDGs at the local and national levels. It also looked at synergies and coherence among JP’s outcomes to produce development results. Success stories or best practices were noted.

22. The sustainability of programme achievements were also assessed to explore the probability that programme achievements will continue in the long run and if the JP is replicable and/scaled up at national and local levels. The Evaluation Team also assessed the conditions in place at the local and national levels to ensure the long-term impacts of the JP, including the alignment of JP’s results with national development strategies and the UNDAF.

3.3. Evaluation Users

23. This final evaluation was initiated by the MDG-F Secretariat. The audience for this evaluation is the Programme Management Team, the Programme Management Committee (PMC), the National Steering Committee (NSC) and the Secretariat of the Fund. The evaluation findings provide these managers with complete and convincing evidence in determining the progress made by the programme and in particular how actual results meet the expected outcomes anticipated during the design of the JP.

3.4. Evaluation Approach and Methodology

24. The evaluation methodology used for this final evaluation included the triangulation of findings through the concept of “*multiple lines of evidence*” using several evaluation tools and gathering information from different types of stakeholders and different levels of management.

3.4.1. Overall Approach

25. This final evaluation was conducted in accordance with the monitoring and evaluation (M&E) strategy designed for the MDGF². The function to monitor and evaluate the MDG-F was provided in the agreement between the government of Spain and UNDP and states that “*monitoring and evaluation of project activities shall be undertaken in accordance with established rules and procedures of UN Agencies, and determined by the Steering Committee, subject to the respective regulations, rules, policies and procedures of the UN Agencies*”. The evaluation was also conducted according to the provisions stated in the JP document; including the reporting structure of the JP and the programme monitoring framework with its list of indicators, their baseline values and targets at the end of the JP.

26. The Evaluation Team developed and used tools in accordance with the M&E strategy to ensure an effective programme evaluation. The evaluation provides evidence-based information that is credible, reliable, useful and easily understood by programme partners. The evaluation was conducted and the findings are structured around the five internationally accepted evaluation criteria set out by the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC):

- *Relevance* relates to the overall assessment of whether the JP addressed identified key priorities and kept with its design;
- *Effectiveness* is the measure of the extent to which formally agreed expected programme results (outcomes) have been achieved, or can be expected to be achieved;
- *Efficiency* is the measure of the productivity of the JP intervention process, i.e. to what degree the outcomes achieved derive from efficient use of financial, human and material resources. In principle, it means comparing outcomes and outputs against inputs;
- *Impacts* are the long-term results of the JP and include both positive and negative consequences, whether these are foreseen and expected, or not;
- *Sustainability* is an indication of whether the outcomes (end of programme results) and the positive impacts (long term results) are likely to continue after the JP ends.

27. In addition to the guiding principles described in the M&E strategy, the Evaluation Team also applied the following methodological principles to conduct the evaluation: (i) *Participatory Consultancy*; (ii) *Applied Knowledge*: the Evaluation Team’s working knowledge of evaluation theories and approaches were applied to this mandate; (iii) *Results-Based Management*; (iv) *Validity of information*: multiple measures and sources were sought out to ensure that results are accurate and valid; (v) *Integrity*: Any issue with respect to conflict of interest, lack of professional conduct or misrepresentation were immediately referred to the client if needed; and (vi) *Respect and anonymity*: All participants had the right to provide information in confidence.

28. Finally, the Evaluation Team carried out the final evaluation according to the ethical guidelines and code of conduct established by the United Nations Evaluation Group (UNEG)³. The Evaluation Team conducted evaluation activities, which were independent, impartial and rigorous. The final evaluation clearly contributed to learning and accountability and the Evaluation Team had personal and professional integrity and was guided by propriety in the conduct of its business.

3.4.2. Roles and Responsibilities

29. The Evaluation Team reports to the MDG-F Secretariat as the Commissioner of the evaluation and the Manager of the evaluation. The role of the MDG-F Secretariat was to ensure that the evaluation process

² MDG-F, *Monitoring and Evaluation System – Learning to Improve – Making Evidence Work for Development*

³ More details on the ethic in evaluation can be found in the UNEG Ethical Guidelines at <http://www.unevaluation.org/ethicalguidelines>

was conducted as stipulated; to promote and lead the evaluation design; coordinate and monitor the progress and development in the evaluation study and the quality of the process.

30. An Evaluation Reference Group was formed. It includes the MDG-F Secretariat, the JP management team, the PMC and ad-hoc members involved in the JP. The role of the evaluation reference group extended to all phases of the evaluation, including:

- Facilitating the participation of those involved in the evaluation design;
- Identifying information needs, defining objectives and delimiting the scope of the evaluation;
- Providing input on the evaluation planning documents, (Work Plan and Communication, Dissemination and Improvement Plan);
- Providing input and participating in the drafting of the Terms of Reference;
- Facilitating the evaluation team’s access to all information and documentation relevant to the intervention, as well as to key actors and informants who should participate in interviews, focus groups or other information-gathering methods;
- Monitoring the quality of the process and documents and reports that are generated, so as to enrich these with their input and ensure that they address their interests and needs for information about the intervention;
- Disseminating the results of the evaluation, especially among organizations and entities within their interest groups.

3.4.3. Evaluation Instruments

31. To conduct this final evaluation, the Evaluation Team used the following evaluation instruments:

Evaluation Matrix: As part of the inception phase, the Senior Evaluator developed an evaluation matrix (see Annex 2) based on the evaluation scope presented in the TOR, the JP document and the review of other key programme documents. This matrix is structured along the five evaluation criteria and includes a comprehensive list of evaluation questions. It provided overall directions for the evaluation, was used as a basis for interviewing people and reviewing programme documents and provided a basis for structuring the evaluation report. This matrix was assembled with an overview of the programme, the evaluation scope and the proposed methodology to complete the inception report.

Documentation Review: The Evaluation Team reviewed all relevant documents from home-based and also during the mission in Albania. In addition to being a main source of information, all documentation was used to prepare the mission of the Senior Evaluator to Albania. A list of documents was provided to the Evaluation Team prior to the mission to Albania. Additionally, the Evaluation Team searched other relevant documents through the web and contacts during the field mission (see Annex 3).

Discussion Guide: A discussion guide was developed to solicit information from stakeholders (see Annex 4). This guide assembled key questions from the evaluation matrix. Its main use was to guide the Evaluation Team through balanced and unbiased interviews as well as a tool to briefly review the collect of information during the field mission.

Mission Agenda: An agenda for the 10 working day mission to Albania was developed during the inception phase (see Annex 5). The process included the selection of stakeholders to meet/interview, ensuring that they represent all stakeholders of the JP. Then, in collaboration with the MDG-F Team in Albania, meetings were planned prior to the mission. The objective was to have a well-organized and planned mission to ensure a broad scan of stakeholders’ views during the time allocated to the mission.

Meetings/Interviews: stakeholders were interviewed (see Annex 6). Semi-structured interviews were conducted using the discussion guide and adapted to each meeting. All meetings were conducted in person

with some follow up using emails when needed. Confidentiality was guaranteed to participants and findings were triangulated and incorporated in the final report.

Field Visit: Field site visits were conducted during the mission of the Senior Evaluator in Albania as appropriate. It ensured that the Evaluation Team had direct primary sources of information from the field and programme end-users.

4. EVALUATION FINDINGS

32. This section presents the findings of this final evaluation, which are based on a desk review of project documents and on interviews with key programme informants and programme staffs. As described in Section 3.4.1 they are structured around the internationally recognized five major evaluation criteria: *Relevance, Effectiveness, Efficiency, Impact* and *Sustainability*.

4.1. Relevance of the Joint Programme

33. This section discusses the relevance of the JP; including the relevance of its original design.

4.1.1. Towards Development Objectives of Albania

34. Albania enjoyed strong economic growth throughout the first decade of the 21st century; accompanied by considerable social progress in such areas as extreme poverty, gender inequalities, health and access to safe drinking water and sanitation. During this time, Albania has also made significant progress in its preparation for European Union (EU) accession in terms of meeting political criteria and establishing stable institutions that guarantee democracy, rule of law, human rights, protection of minorities and regional cooperation. Albania has been noted for its progress in meeting criteria and related standards to approximate its legislation with the *acquiscommunitaire* in line with the Stabilization and Association Agreement (SAA) and European Partnership priorities.

35. However considerable challenges remain, such as a persistently high level of unemployment, less children enrolled in basic education, considerable disparities between urban and rural areas, among regions and for certain disadvantaged groups. Additionally, the energy and water sectors of Albania continue to be faced with many challenges such as insufficient client orientation and operational inefficiencies. To solve these problems the government has proposed several reforms in both sectors to improve efficiency and quality of services. Because changes would include price increases, protecting poor consumers – both men and women- is seen as essential.

36. The “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” JP is a direct response to these latter challenges. The JP has been supporting the government and the private sector focusing on three areas/sectors: water, energy and consumer protection. The JP intervention in these key sectors was very relevant for the development of Albania; it was part of the overall government strategy for development.

37. In 2005, the government of Albania adopted the Integrated Planning System (IPS), a set of operating principles to ensure that government policy planning and implementation take place in a coherent, efficient and integrated manner. Two processes are the cornerstones of the IPS: a medium- to long-term strategic planning process, the National Strategy for Development and Integration (NSDI) (2007-2013), which establishes national strategic priorities and goals; and a medium-term budgeting process, the Medium-Term Budget Programme, which requires each ministry to develop between March and June a three-year plan within a specified

expenditure ceiling to achieve policy objectives as intermediate steps to the achievement of the NSDI goals.

38. Another important planning process for the government of Albania is the integration into the European Union, in particular the implementation of the Stabilization and Association Agreement (SAA), and integration into NATO, through the achievement of membership standards, in five fields: political, economic, legal, military, financial and information security.

National Strategy for Development and Integration (NSDI) 2007-2013

39. This strategy was drafted in 2006 and a first draft was submitted to the Council of Ministers mid-October 2006 before being finalized in 2007. The NSDI provides a summary overview of key challenges facing the country; a brief statement of the national vision, strategic priorities and strategic goals to be achieved; a summary of the underlying strategies for each strategic priority; it sets the required macroeconomic framework and discusses the main changes in the distribution of resources across broad sectors that is needed in the period 2007-2013; finally it emphasizes the need for transparency, describes the consultation process during the preparation of this strategy and presents the indicators through which the implementation of the strategy will be monitored.

40. The strategic priorities contained in the NSDI include:

- Integrate the country into the European Union and NATO;
- Develop and consolidate the democratic state, based on the fundamental liberties and rights of individuals. Exercise good governance, fight corruption and other negative phenomena that obstruct the development and integration of the country, and guarantee the functioning of the rule of law;
- Achieve rapid, balanced and sustainable economic, social and human development

41. The 3 sectors of the JP are under the last strategic priority. The NSDI summarizes the challenges for each sector and sets the relevant strategies and policies to address these challenges. A summary is presented below for each of the three sectors:

Energy

42. The energy sector is a priority sector for development. However, it is not at a sustainable level as evidenced by the electricity crises of 2002 and 2007. The main subsectors are: hydrocarbons (oil and gas), which amount to 61-63% of the energy resource balance; electrical energy, which amounts to about 25-27% of the energy resource balance; and other sources (renewable), which amount to 11-13% of the energy resource balance. Some challenges faced by this sector related to power generation and distribution (the focus of the JP) are as follows:

- The production capacity is insufficient to meet current domestic demand. As a result, the supply to consumers with electrical energy is accompanied by continuing cuts and rationing;
- The absence of thermal sources for energy production and the total dependence on hydrological conditions is another factor causing difficulties in the supply of consumers with electrical energy;
- The capacity to import electrical energy is constrained by the inadequate capacity of its existing interconnection lines with neighbouring countries and the transmission lines in the region;
- Non-technical losses remain relatively high as a result of several factors but mainly because of illegal connections and tampering with the electricity meters;
- High technical losses in transmission and distribution are the result of the depreciated and inadequate network;
- The level of electricity consumption for heating and cooling is high, as electricity is used for heating and cooling homes as well as for cooking. This is another reason for the inability of the electrical energy system to guarantee the regular supply for other services;

- The price of electricity is not liberalised, while the use of other materials is not attractive for heating and cooking purposes;
- The use of electricity and other energy sources is inefficient as a result of poor house insulation and use of low efficiency equipment.

43. The strategic response is to develop an energy system based on market principles, to open and liberalize the domestic market and integrate it with the regional and European energy market. The strategies include the reform and restructuring of the sector for an effective institutional and regulatory framework; encourage the efficient use of energy; increase the energy supply; develop nuclear energy; increase the use of renewable energy sources; and open the domestic electrical energy market and participate actively to the regional energy market within the framework of the South Eastern Europe Energy Community Treaty.

Water

44. In the context of the commitment to meet the relevant EU directives linked with the water supply and sanitation service, the country faces a particularly complex set of issues. The main challenges include:

- Albania compares unfavourably with other European countries in terms of access to water supply, particularly in rural areas;
- The inability to maintain the network under constant pressure as a result of interrupted supply and the lack of water disinfection contain potential health risks for the population;
- Poor management in general, low efficiency in the utilisation of human resources, and the inability to manage water demand as a result of the lack of meters have resulted in a large proportion of non-billed water and a difficult financial situation for the water utilities;
- Low tariffs and billing that is not based on water consumption do not encourage saving of water;
- The low level of financial performance of water utilities necessitates the provision of subsidies from central government to cover about 34% of the operational cost;
- Water, sanitation and wastewater treatment investments have not been oriented towards growing areas and areas with potential for tourism development;
- The maintenance of the network is not always viewed with special attention.

45. The strategy for this sector is to continue the development of the water supply and sanitation sector according to European Union standards, to improve living conditions, conserve the environment, and develop the economy in a sustainable manner. The goal in this sector is that by 2013, the share of the population covered by the following services will be: (a) 95% for water supply; (b) 83% for sewerage; and (c) 45% for wastewater treatment.

Consumer Protection and Market Surveillance

46. Despite progress made in the field of consumer protection, especially related to legislation, more remains to be done. There is a need for additional protecting rules, particularly in the field of product safety. Consumer information and education need to be strengthened. The representation of consumer interests in civil society needs to grow and finally, effective mechanisms of compensation need to be developed and an appropriate system of market surveillance needs to be established.

47. Moreover, the reforms in consumer protection and market surveillance are among key requirements of the Stabilisation and Association Agreement. The strategy states that the government will strengthen the coordination between public agencies, market control structures, consumer protection associations and business associations. In particular, strategic priorities in this area include:

- To empower consumers for a real choice based on accurate information, for self-determination and confidence that comes from effective protection, which presupposes the development of an information and advisory system for consumers;

- To protect the economic interests of consumers on issues of price, choice, quality, diversity, affordability and safety;
- To provide consumers with modern and transparent market surveillance, establishing the foundations for the development of safe markets;
- To protect consumers in an effective way from risks and threats which they cannot confront and resolve individually.

Stabilization and Association Agreement (SAA)

48. This agreement between the European Communities and the Republic of Albania was signed in May 2006. The aims of this Agreement are:

- To support the efforts of Albania to strengthen democracy and the rule of law;
- To contribute to political, economic and institutional stability in Albania, as well as to the stabilisation of the region;
- To provide an appropriate framework for political dialogue, allowing the development of close political relations between the Parties;
- To support the efforts of Albania to develop its economic and international cooperation, also through the approximation of its legislation to that of the Community;
- To support the efforts of Albania to complete the transition into a functioning market economy, to promote harmonious economic relations and develop gradually a free trade area between the Community and Albania;
- To foster regional cooperation in all the fields covered by this Agreement.

49. Of interest for this evaluation is Article 76 on consumer protection. It states that the Parties shall cooperate in order to align the standards of consumer protection in Albania to those of the Community. Effective consumer protection is necessary in order to ensure that the market economy functions properly, and this protection will depend on the development of an administrative infrastructure in order to ensure market surveillance and law enforcement in this field.

50. The Agreement lists a series of measures to be implemented to ensure:

- A policy of active consumer protection, in accordance with Community law;
- The harmonisation of legislation of consumer protection in Albania on that in force in the Community;
- Effective legal protection for consumers in order to improve the quality of consumer goods and maintain appropriate safety standards;
- Monitoring of rules by competent authorities and providing access to justice in case of disputes.

51. Article 107 is also of interest for this evaluation. It is on Energy and states that cooperation shall focus on priority areas related to the Community acquis in the field of energy, including nuclear safety aspects as appropriate. It shall reflect the principles of the market economy and it shall be based on the signed regional Energy Community Treaty with a view to the gradual integration of Albania into Europe's energy markets.

52. In addition to these national strategies, Albania has also developed sectoral strategies to support the implementation of these strategic priorities, including a *Strategy on Consumer Protection and Market Surveillance 2007-2013*, *The National Strategy of Energy and Plan of Action* and the *National Water Supply and Sewerage Services Sector Strategy 2011-2017*. A summary of these three strategies is presented below.

Strategy on Consumer Protection and Market Surveillance 2007-2013

53. Within the context of EU regulations, particularly the EU “*Consumer Policy Strategy 2007-2013 – Empowering consumers, enhancing their welfare, effectively protecting them*”, (March 13, 2007), the Ministry of Agriculture, Food and Consumer Protection, the Ministry of Economy, Trade and Technology, and the Ministry

of Health developed individual strategies for consumer protection for the period 2007-2013, which were collated together into a common strategy on consumer protection.

54. The vision of this common strategy for the period 2007-2013 is that Albanian consumers become well informed and self determined individuals and have a self-confident manner on market places. The strategic priorities include:

- Empower Albanian consumers (real choices based on accurate information, strong self-determination, confidence that comes from effective protection);
- Protect economic interests of Albanian consumers in terms of price, choice, quality, diversity, affordability and safety;
- Provide Albanian consumers with comprehensive market surveillance and transparency;
- Protect Albanian consumers effectively from serious risks and threats that they cannot tackle as individuals.

55. In the non-food sector, the objectives are to protect the marketplace; to develop a market surveillancesystem; to enforce the respectivelegislation; and to encourage the participation of NGO.

The National Strategy of Energy and Plan of Action

56. This strategy was approved by the government in 2003 and updated in April 2005. It was done for the development of the energy sector and was part of the general strategy for the economic development of Albania under the National Strategy for Socio-Economic Development (NSSED) (now the NSDI). This strategy highlights the main issues in this sector:

- Increase of electricity consumption by households consumers during the transition period has led to high levels of technical and non-technical losses and reduction of security of supply;
- Lack of electricity price liberalization has led to its massive use for different services in household and service sectors (space heating and cooking);
- Lack and relatively high prices of other alternative energy sources forced consumers to focus more on the electricity use;
- Very low efficiency of energy use;
- Growth rates in the consumption of diesel and gasoline especially in transport is much higher than what can be accommodated by the supply of domestic oil by-products affecting therefore the increase of import.
- Production of oil and gas has declined rapidly due to the lack of funds. Efforts to increase oil production in the existing and new sources through production sharing agreements have not yet been successful.
- Generation of electricity is dominated by the hydropower output while the thermal based generation has remained stable at around 100 GWh per year. In the course of years 2000-2002 there was a sensitive decline of the electricity production due to drought seasons;
- Supply structure of primary energy sources is becoming less and less diversified due to the increasing role of oil, hydro and fuel woods energy supplies compared to coal and natural gas.

57. As a result, Albania became a net importer of electricity and will continue to import more electricity to meet the growing national demand until more power is generated in Albania.

58. The goal of the National Energy Strategy is to restructure the energy sector, based on market economy principles and on a modern energy policy. The specific objectives of this strategy include:

- Increase the security and reliability of the energy supply in general and electricity in particular, in national and regional levels;
- Establish an efficient energy sector from the financial and technical aspects;

- Establish an effective institutional and regulatory framework and restructuring of energy companies;
- Increase the energy efficiency in generation/production and final use of energy sources aiming a minimal environmental pollution;
- Optimize the supply system with energy sources based on the least cost planning principle with minimal environmental pollution;
- Increase considerably investments in the energy sector through capital enhancement by international financial institutions as well as private capital; and
- Establish a competitive electricity market according to EU requirements for the electricity sector reforms (Directive 96/92 EU) and Albania obligations under the Athens Memorandum (November 15, 2002) to support the energy sector integration into the Southeast Europe Regional Electricity Market and the interconnection with UCTE network.

National Water Supply and Sewerage Services Sector Strategy 2011-2017

59. The Council of Ministers approved this strategy in September 2011. It was developed within the context of the decentralization of government and the transfer of ownership and responsibility for water supply and sewerage services to local government, recognizing that water must be treated in such a way that it is valued as a product, produced at a cost, and consumed at a price. The vision statement is to develop proper policies and commit sufficient resources to improve the provision of water supply and sewerage services, and to consistently move toward compliance with EU standards and the Millennium Development Goal of environmental sustainability.

60. The government is committed to strengthen its central government institutions to guide and direct priority investments in the sector; oversee the performance of the sector; facilitate optimization strategies to increase efficiency in the sector; and regulate the pricing and quality of service in the sector, for the good of all of its citizens and their natural right as human beings. The strategy states five objectives:

- Expand and improve the quality of water supply and sewerage services.
- Orient the water utilities toward principles of cost control and full cost recovery.
- Improve governance and regulation in the sector.
- Invest in enhancing the capacities of the sector work force.
- Move toward convergence of Albanian law with EU Water Directives

61. In addition to these objectives, the strategy states 9 policy statements that will impact the implementation of these objectives. They include:

- Policy Statement No. 1: Jurisdiction of Tariff Policies
- Policy Statement No. 2: Tariff Differentiation and Structures
- Policy Statement No. 3: Cross-subsidies between Customer Categories
- Policy Statement No. 4: Cost Recovery for Service Providers
- Policy Statement No. 5: Introduction of Targeted Subsidies
- Policy Statement No. 6: Asset Inventory and Valuation of Water Supply and Sewerage Systems

A few facts about Water supply and demand in Albania

- 58 water utilities are operating in Albania
- 80% of the total population have access to the water supply systems (91% in urban areas and 57% in rural areas)
- 45% of water customers have metered connections
- Water production is 301 liters /capita/day and water sales is 110 liters/capita/day, which indicate a high percentage of water loss
- Together the developed sources of water are estimated at nearly 3 times the demand of served and un-served customers
- In 2010, it is estimated that the “continuity of water supply” is 11.1 hours/day due to the loss of water from un-metered over-consumption from flat rate billing, illegal connections, and technical losses in the networks.

- Policy Statement No. 7: Consider and Draft a Special Water Supply and Sewerage Services Law
- Policy Statement No. 8: Licensing of Water Supply and Sewerage Service Providers
- Policy Statement No. 9: Authorization to Replace a Failing Operator

62. The intervention of the JP is done within the context of the implementation of these strategies. Its expected results were identified to address some short and mid-term needs in these three areas: water, energy and consumer protection; there are very relevant for the development of Albania.

4.1.2. Towards Implementation of MDGs in Albania

63. On July 2003, the Albanian Parliament passed a resolution in support of the Millennium Declaration. The government has reported on MDG progress since 2002. By 2004, the eighth goal for developing a global partnership for development was formally adapted to the Albania MDGs, and a special 9th goal to establish and strengthen good governance was included. By 2008, it became evident that Albania’s strong economic growth since the early 2000’s would contribute to achieving many of its MDG targets well before 2015. Also, it was seen that the goals should be better aligned with both that of European Integration (EI) and the Paris Declaration on Harmonization. As a result, the government of Albania revised and realigned a number of MDG targets. Some were made more ambitious while others were made more realistic in terms of what could be achieved by 2015: targets were increased from 19 to 22, indicators were increased from 42 to 89 and some 2015 target levels were increased. These changes include indicators dealing with access to safe drinking water and sanitation (MDG-7), which have been disaggregated by rural and urban areas, and been made less ambitious by 2015.

64. The JP is supporting Albania to progress toward the MDG 7 – *Ensure sustainable environmental development*; contributing particularly to the second target under this goal: 7.2 - *Improve access to safe drinking water and sanitation to approach EU standards by 2015*, and also toward the MDG-9⁴ - *Improve governance for all citizens & especially for the most disadvantaged groups*, contributing particularly to the third target under this goal: 9.3 - *Ensure access to services and resources for the most disadvantaged groups in accordance with the most advanced standard*.

65. As per the 2010 national report on progress toward achieving the MDGs, Albania has been active in its commitments under the Kyoto Protocol and has identified potential areas to reduce emissions, including energy generation, energy efficiency and emissions in the forestry and agriculture sectors; despite the fact that Albania’s greenhouse gas emissions are only 20 to 25 per cent of industrialized countries average. On the water side, the percentage of the population declaring that they have access to safe drinking water has increased, from 69% in 2002 to over 82% in 2009. At this rate, however, the national 2015 target of 98% is unlikely to be reached.

66. Despite that there is a medium probability that Albania will reach its environment goal by 2015,⁵ the JP is relevant in the context of the “... *setting up the necessary policy and legal frameworks and supporting institutions*.” However, the review indicates that the relevance of the JP vis-à-vis the implementation of MDGs in Albania, has been more relevant when it supports Albania in achieving its MDG-7 water related targets than when it supports the energy sector in Albania. The development of the energy sector is not an MDG target, it is only through the reduction of emissions that activities in this sector will contribute to the achievement of MDGs in Albania. The JP is also relevant toward the MDG-9 whereby outcome #3 is promoting pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas

4A ninth goal to establish and strengthen good governance was added to the set of 8 MDGs to achieve in Albania.

5Government of Albania, UN Albania, July 2010, *Albania National Report on Progress Toward Achieving the Millennium Development Goals - Special Edition*.

4.1.3. Towards the One UN Agenda in Albania

67. Albania is one of eighth countries (the only one in Europe) in the world to pilot the One UN reform concept at the country level. Albania’s request to participate as a One UN Pilot country demonstrated its long-standing, strong commitment to UN reform. The government’s on-going reforms place great emphasis on the coordination and alignment of external assistance and integrating national planning and resource allocation. The One UN pilot falls very much within this broader national effort. Countries piloting the “*One UN*” agreed to pilot different models to “*Deliver as One*” based on four common elements: *One UN Programme*, *One Budgetary Framework*, *One Leader* and *One Office*. In each country, the basic reform model was adapted to the unique country context. Together the eighth pilot countries are testing out ways in which the UN family – with its many and diverse agencies can deliver in a more harmonized and cost-effective manner at the country level.

68. The goal of the One UN Programme in Albania is to enhance development results and impacts by bringing together the comparative advantages of the UN system within a single strategic programme. Its objective is to better support Albania in achieving its goals as expressed in the Stabilization and Association Agreement (SAA) with the European Union, national priorities expressed in the National Strategy for Development and Integration (NSDI), as well as programmes of international partners, and harmonization and aid effectiveness in the context of the Paris Declaration. The One UN Programme builds on the UN Development Assistance Framework (UNDAF) 2006–2010 agreed between the Government of Albania and UN agencies. It includes five priority areas to contribute to Albania’s development:

- More transparent and accountable governance
- Greater inclusive participation in public policy and decision-making
- Increased and more equitable access to quality basic services
- Regional development to reduce regional disparities
- Environmentally sustainable development

69. The “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” JP contributes to the One UN programme in Albania. Through its activities, it contributes to most of the priority areas identified above, particularly the increased and more equitable access to quality basic services and more transparent and accountable governance.

70. However, despite the contribution of the JP toward the One UN programme in Albania, the day-to-day management and administration of the JP falls short of fully piloting the One UN approach in Albania. Considering the “*Deliver as One*” model based on the four common elements described above, the set-up of this JP is such that it is not piloting the concept of *One Budgetary Framework*, *One Leader* and *One Office*. Only two implementing agencies (UNDP and World Bank) are involved in the implementation of the JP and the contractual mechanism in place to administer the resources is a sub-contractual arrangement, where the World Bank is a sub-contractor to UNDP for the implementation of its part. The result is two separate budgetary frameworks, two Leaders and two offices (*see also section 4.3*). However, from the *One UN* model point of view this JP should be considered as a case study on what is possible within existing procedures and mechanisms if the WB is to be involved.

4.1.4. Alignment with MDG-F Goals and Principles

71. The JP is well aligned with the MDG-F goals and principles. As presented in previous Sections, the JP addresses strategic priorities that are contributing to the implementation of the MDGs in Albania. Moreover, it is also well aligned with the objectives of the MDG-F Democratic Economic Governance window.

72. The Government of Spain established the MDG Achievement Fund (MDG-F) as a mechanism to expand

the institutional partnership within UN Agencies. This decision was done within the context of the Spanish Master Plan for International Cooperation (2005-2008) that outlined Spain’s policy, advocacy and financial priorities in support of the achievement of the Millennium Development Goals. The aims of the MDG-F has been to accelerate progress towards the attainment of the MDGs in select countries by:

- Supporting policies and programmes that promise significant and measurable impact on select MDGs;
- Financing the testing and/or scaling-up of successful models;
- Catalyzing innovations in development practice; and
- Adopting mechanisms that improve the quality of aid as foreseen in the Paris Declaration on Aid Effectiveness

73. The activities of the Fund and the way in which the country-level interventions are designed are guided by several principles:

- Support programmes anchored in national priorities, in line with the Paris Declaration;
- Ensure the sustainability of its investments;
- Apply the highest standards in quality of programme formulation, monitoring and evaluation within a management framework oriented towards results and accountability;
- Consolidate inter-agency planning and management systems at the country level;
- Minimize transaction costs associated with administering the Fund.

74. The MDG-F supports innovative actions - within the framework of the MDGs and the Paris Declaration on Aid Effectiveness - with the potential for wide replication and high-impact in select countries⁶ and sectors. As a result, the approach and decisions of the MDG-F are informed by the imperatives of ensuring national and local ownership of supported activities, aligned with national policies and procedures, coordinated with other donors, be results-oriented and with mutual accountability.

75. The MDG-F has been implemented through the UN development system and finance, supporting collaborative UN activities that leverage the value-added of the UN in the sector and country concerned; particularly where the UN’s collective strength is harnessed in order to address multi-dimensional development challenges. The MDG-F supports joint programmes in eight thematic areas including: children, food security and nutrition; gender equality and women’s empowerment; environment and climate change; youth, employment and migration; democratic economic governance; development and the private sector; conflict prevention and peace building; and culture and development.

76. The objective of the democratic economic governance thematic window is to support interventions that enhance access to, and provision of, services by utilities, increasing their efficiency and affordability at either a national or local level, and taking into consideration how the poor participate and benefit from these services. This support has been provided through four priority areas:

- Improve efficiency, access, affordability and quality of services provided by utilities at the national and local level;
- Foster inclusive participation in decisions relating to public utilities, empowering the poor, women, youth and the marginalized;
- Promote core democratic governance principles of equal representation, accountability and transparency at the national, regional and local levels, in economic policy making and governance;
- Develop and foster innovative partnerships with the private sector.

77. The MDG-F supports 11 democratic economic governance JPs with a value of almost USD 60 million. These programmes focus mainly on strengthening the government’s capacity to manage water provision and

6 The MDG-F is implemented in 49 countries in five regions around the world.

water quality, including citizens, especially the poorest, in plans and policies regarding water, and increasing financial investments in the water provision sector.

78. The “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” JP is well aligned with the terms of reference of this window; particularly with the first priority area presented above. The JP strategy is to ensure that important decisions concerning utilities’ decentralization and privatization, tariff changes, and regulatory reform in the energy and water sectors, as well as measures to strengthen market surveillance and consumer protection, benefit from inclusive but responsible participation of user groups.

4.1.5. Synergies with Related Initiatives in Albania

79. By design, the JP cannot be a stand-alone programme; it has a broad reach through three different sectors - water, energy and consumer protection - and it was only a two-year programme. It would have been difficult to expect long-term results from such a programme without relying on larger reform initiatives and on strong coordination with national partners and international donors involved in these three sectors.

80. Indeed, this JP was designed in cooperation with the Ministry of Economy, Trade & Energy (METE) and within the context of the One UN Programme for Albania, 2007-2010. The JP was well aligned with UNDP and World Bank development strategies in Albania; including on-going dialogues with the government. Both, UNDP and the World Bank in Albania have extensive experience in promoting capacity development for good governance at central and local levels. In 2005, both organizations joined forces to conduct a Poverty and Social Impact Analysis of the Water Sector in Albania. Prior to this JP, the World Bank already supported the government efforts in the field of energy and water; specifically through the *Power Sector Generation & Restructuring Project* and the *Municipal Water & Wastewater Project*. UNDP focus had been extensively on making sure that economic growth reaches the poor and marginalized groups. The strategy for this JP was that World Bank activities in the areas of macroeconomic and fiscal sustainability, energy and water sector restructuring, and poverty alleviation were to be aligned with UNDP’s work on consumer protection, regional development, civic engagement, and combating informality. It was anticipated at the design stage that the World Bank was to focus mainly on the structural support, in accordance also with World Bank current and past policy operations; UNDP was to focus on the social aspect of regulatory work at the central and the local level.

81. All activities implemented by the JP were conducted within national strategies and reform initiatives supported by international donors; there was a lot of complementarity among a set of on-going initiatives supported by international donors in the three respective sectors:

- *Water Sector:* This sector is well coordinated in Albania with the existence of a Water Sector Working Group (WSWG). The Deputy Minister of Water chairs this group and all donors are members of this group. Water related programmes and projects are presented and reviewed by this group, ensuring a good coordination among the various players in the sector. This mechanism also ensures continuity of donor support where needed, comprehensiveness in sectoral approaches and avoid projects and programmes to overlap. It meets regularly and is led by the government ensuring good coordination between donor projects and programmes and government strategies and programmes.
- *Energy Sector:* This sector is now coordinated through a working group that is chaired by the Deputy Minister of Energy. However, it was noted that no donor coordination meetings in this sector took place over the last two years. The first such meeting took place only in December 2011 and it is hoped that it will continue on a regular basis. The World Bank has been a leader in this sector in cooperating with the government to reform and strengthen the energy sector. Other major donors supporting Albania in this sector include KfW, EBRD, and the bilateral agencies from

Austria, Italy and Switzerland. Additionally, the cooperation in this sector is also closely coordinated under the Energy Community Treaty that was signed on October 25, 2005 in Athens by the European Community and nine Contracting Parties from South East Europe, including Albania. Following ratification, the Treaty entered into force on 1 July 2006.⁷ In agreeing to establish the Energy Community, Albania has taken on a legally binding obligation to implement the relevant *acquiscommunautaire*, to set up regulatory structures, and, to liberalize their energy markets.

- *Consumer Protection:* The consumer protection strategy for the non-food products component calls for ensuring the actual participation of non-governmental organizations representing consumer interest in the decision-making process in the fields of consumer protection and market surveillance, and call also for the state to give financial support to consumer associations. In the area of product-safety related issues, the Law "OnProduct's General Safety, Essential Requirements to Non-Food Products and Conformity Assessment", approximating the relevant provisions of the EU General Product Safety Directive, was passed by the Albanian Parliament in July 2007. As regard to non-safety related issues, the Law on consumer protection has been amended, reinforcing the regulation of certain aspects of consumer protection, the independence and impartiality of the Consumer Protection Commission (CPC) and to increase the level of fines⁸. However, despite a good consumer protection and market surveillance legislation framework in place that is modeled on the corresponding EU legislation, there still seems to be a lack of capacity in place for ensuring consumer protection in Albania. As one assessment of the sector supported by the JP stated “*The consumer associations’ capacity issue is a “chicken and egg situation”. The associations are weak because they receive no support. They do not receive support because they are weak*”. A consumer protection commission was formed but it is comprised mostly of government representatives. As opposed to the other two sectors, it was noted that strengthening consumer protection is a sector where little coordination is done with few players involved, particularly from the international community. JP activities targeting this sector were implemented in collaboration with a EU project that was closed in mid-2010 and that supported the review of the legal framework in this area and the reform of the consumer protection commission.

82. The JP had obvious synergies with the World Bank Durres investment project; it is also closely aligned with the World Bank Social Assistance Reform Sector Loan, which is in preparation; the discussions on the power market model supported by the JP are part of ongoing discussions on reforms of the power sector, with implications for future lending; finally, it was noted the strong cooperation with GIZ that supports the WRA.

83. The JP was designed on the basis of existing knowledge accumulated by previous projects and

⁷The task of the Energy Community is to organize relations between the Parties and create a legal and economic framework in relation to Network Energy – including electricity and gas sectors falling within the scope of the European Community Directives 2003/54/EC and 2003/55/EC - in order to:

- Create a stable regulatory and market framework capable of attracting investment in gas networks, power generation, and transmission and distribution networks, so that all Parties have access to the stable and continuous energy supply that is essential for economic development and social stability,
- Create a single regulatory space for trade in Network Energy that is necessary to match the geographic extent of the concerned product markets,
- Enhance the security of supply of the single regulatory space by providing a stable investment climate in which connections to Caspian, North African and Middle East gas reserves can be developed, and indigenous sources of energy such as natural gas, coal and hydropower can be exploited,
- Improve the environmental situation in relation to Network Energy and related energy efficiency, foster the use of renewable energy, and set out the conditions for energy trade in the single regulatory space,
- Develop Network Energy market competition on a broader geographic scale and exploit economies of scale.

More at: http://www.energy-community.org/portal/page/portal/ENC_HOME/ENERGY_COMMUNITY

⁸ Albania 2011 Progress Report, p.62

programmes. Additionally, the skills from both agencies – UNDP and World Bank – provided the right mix of competencies for the implementation of the JP, including the potential to link-up with related global initiatives. The review of related programmes and projects indicate that most achievements from the JP are, indeed, part of larger initiatives implemented in Albania as responses to national strategies; therefore very relevant for the development of Albania.

4.1.6. Internal Programme Concept/Design

84. The JP was formulated in a short period of time. Near the end of 2007 UNDP and the World Bank in collaboration with the METE developed a concept note. This concept note was sent to the MDG-F Secretariat to be reviewed. On the basis on the concept note and comments received from the MDG-F Secretariat, the JP document was then developed and submitted to the Secretariat for approval. The JP document was approved by the MDG-F Steering Committee in April 2008 and it was noted that an external technical reviewer had positively reviewed the JP. The approval was sent to UN Albania but with the request to make few changes in the design of the JP before it is formally signed by all partners; they include:

- Special attention should be devoted to identify and anticipate strategies to address issues/problems deriving from the Universal Service Obligations. For example issues related to the affordable accessibility by the poor and excluded sectors; and the prospects of full coverage of costs of the water service from generated revenues that often times are weaker than in the energy sector.
- The Joint Programme should define more clearly the geographic areas of intervention to build capacity of consumer associations; to combat informality and to launch/test of endowing water and electricity tariffs. The project sites should be evidently identified in the work plan.
- To ensure the continuity of initiated organizational capacity building for government counterparts and consumer associations, it would be desirable to have explicit commitments from relevant government institutions at all levels of the administration.
- In anticipation of political risks associated to the upcoming 2009 National elections, the joint programme should explicitly present strategies to mitigate these risks; and
- Participatory and impact oriented monitoring and evaluation frameworks are developed. In addition, the budget should be revised to ensure that sufficient resources are available to conduct the final evaluation.

85. Nevertheless, the review of the signed JP document indicates a limited coherence among the various elements of the programme – its rationale, its internal logic (components, partners, structure, delivery mechanisms, scope and budget) and its expected results. The JP document lacks information to fully justify its rationale and to address questions such as: What are the Energy, Water and Consumer Protection strategies in Albania? What is the position of the national Partners? What is the overall objective of the JP? What is the logic between expected results and planned activities? Isn't there too much emphasis on studies? How will the JP deliverables be sustainable? etc. These comments differ somewhat from the technical review conducted before the approval of the JP and are made on the revised JP document which addressed the changes requested by the MDG-F Secretariat at the approval stage.

86. The main weaknesses of the JP document can be summarized as follows:

- A broad scope covering three critical sectors: water, energy and consumer protection and a short duration (2 years) to implement the JP (too much in too little time?);
- A strategy that is too activity-based. There is not really an overall objective for the JP. The JP document contains mostly information on activities to be conducted and limited information about what is expected from the JP in term of expected results. It is difficult to imply the type of expected developmental results when analyzing the planned activities;
- The rationale for this JP and the potential to assess for the long-term sustainability of activities

supported by the programme is limited. As this review shows in the preceding Sections, the JP is relevant in the context of Albania’s development; however, this context is not very well described in the JP document, which contribute to the difficulty to understand what the JP is trying to achieve.

87. Despite these shortcomings in the documentation of the design of the JP, it was noted that this programme was very relevant for Albania. On one hand it looks somewhat patchy with a limited coherence; however, on the other hand, it is a programme that was very responsive to specific needs in the implementation of strategies in three sectors. Many activities supported by the JP were to address specific needs to move the national agenda forward. For instance, in 2010-2011 the government with the support of the World Bank was in the process of developing the water strategy. At one point in time, there was a need to conduct some public consultations but no planned resources to do that. The JP resources were used to support these consultations and allow the partners to finalize this strategy on time.

88. A final comment on the design of the JP is that the JP document was not really used during the implementation of the programme. Following the approval of the programme in April 2008, the implementation started only in early 2010. This long delay was due mostly to some difficulties to finalize an agreement between UNDP and the World Bank (see Section 4.3). During the start-up phase, a review of the programme was conducted and many revisions were made to the planned two-year work plan. As a result of this phase, a report titled “Updated Activities, Work Plan and Budget” documented these revisions and was used thereafter throughout the implementation of the JP. Nevertheless, the overall set of expected outcomes and outputs remained (no changes) and the logic model of the JP is presented in the table below. It consists of 3 expected outcomes and 8 outputs (see Annex 7 for an overview of outputs and related activities).

Table 1: Joint Programme Logic Model

Outcomes	Outputs
Outcome 1: Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery.	Output 1: Key capacity constraints limiting the effectiveness of ERE and GDWS identified
	Output 2: Remedies to address capacity constraints and improve performance designed/implemented
	Output 3: Public relations of KESH, ERE and GDWS improved
	Output 4: Public awareness on utility provision increased
Outcome 2: Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies.	Output 5: State bodies’ capacity increased
	Output 6: Consumer protection capabilities developed in 6 pilot regions
Outcome 3: Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.	Output 7: Adequate mechanisms in place to facilitate effective tariff reform
	Output 8: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized

4.2. Effectiveness of the Joint Programme

89. This Section presents the findings on the effectiveness of the programme that is a measure of the extent to which formally agreed expected programme results (outcomes) have been achieved, or can be expected to be achieved in the future. It includes an overview of key results achieved to date by the programme, followed by the

review of risks management and mitigation measures related to the implementation of the programme.

4.2.1. Achievements of Programme’s Expected Outcomes

90. The JP is in its final stage and most planned activities will be completed by the end of the programme. The review of these achievements indicates that overall the JP will have delivered what it was designed for, which was a rather large set of distinct activities (about 25). As it was already discussed in Section 4.1, most of these activities are direct responses to needs in larger strategies and programmes under implementation in Albania. Therefore, the analysis of these achievements has to be done in the context of these strategies and programmes.

91. As a set of activities, it is difficult to “get the big picture” about what the project is trying to accomplish and it is supported by the fact that no objective was developed during the design phase. As discussed in Section 4.1.6, the JP design was too activity-based and its achievements are in line with this assessment. They represent mostly the delivery of expected activities. For instance, the JP supported the development of business plans for the electricity supplier (KESH) and the transmitter (OST) and yes, it is part of the “*remedies to address capacity constraints and improve performance*” that is expected under output #2. The JP supported the development of a model contract for water customers, which contributes to the “*increase of state bodies’ capacity*” that is expected under output #5. However, what is difficult to assess is the progress made towards the achievements of higher level expected results. For instance, how well and how far the JP contributed to the design and implementation of remedies to address capacity constraints and improve performance (output #2)? Or how well and how far the JP contributed to increasing the state bodies’ capacity. In both examples, the JP certainly contributed to these higher level results, however, beside knowing if a particular activities has been implemented or not there is no real measure of the long-term impact of this contribution (*see also Section 4.3.5*).

92. Nevertheless, the JP has been implemented on a very tight schedule and its achievements have been contributing to strengthening the water, energy and consumer protection areas in Albania. Achievements of the JP as of November 2011 are summarized in the table presented below.

Table 2: List of Albania Joint Programme Achievements

Outputs	Activities	Achievements (as of November 2011)
Outcome 1: Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery		
Output 1: Key capacity constraints limiting the effectiveness of ERE and GDWS identified	<ul style="list-style-type: none"> • Activity 1.1: Assessment of the Power Market Model and formulation of recommendations supporting a strengthening of monitoring of the market by ERE (WB) • Activity 1.2: Capacity diagnosis of GDWS and the General Directorate for Policy on Water, Wastewater and Solid Waste (WB) • Activity 1.3: Strengthen the capacity of the Monitoring and Benchmarking Unit of GDWS (WB) 	<ul style="list-style-type: none"> • 1.1: Assessed results in the implementation of the current power market model and suggested recommendations for improvement of monitoring functions by ERE. The report has so far been discussed with the client and is currently being finalized. • 1.2: A workshop served as a preliminary basis for consulting various constituencies on issues related to water pricing, subsidies, tariff reform and utility sustainability. In-depth interviews were then conducted with key stakeholders and other informed sources. Based on the findings a report with specific recommendations was prepared and discussed with counterpart agencies. • 1.3: Work started by focusing on the monitoring-benchmarking indicators & reporting practices of Durres Water Utility (DWU). A 1st mission carried out in September 2010 conducted a rapid assessment of the DWU’s financial performance to be supplemented by an audit of financial accounts and additional financial data/analysis. The Initial findings of this work have highlighted areas for improvement. A consultant has been charged with an assessment of the Performance Monitoring and Benchmarking Unit performance, identification of areas requiring strengthening, and developing a capacity development plan. The initial findings were presented at a workshop that took place on March 23, 2011.
Output 2: Remedies to address capacity constraints and improve performance designed/implemented	<ul style="list-style-type: none"> • Activity 2.1: Preparation of business plans for KESH and OST and agreements on performance (WB) • Activity 2.2: Training of GDWS staff on monitoring methodologies, service quality, transparency, complaints systems and dispute resolution (WB) • Activity 2.3: Methodology developed and capacity built around the prioritization of investments in water supply in rural areas and preparation of business plan for the Durres water utility (WB) 	<ul style="list-style-type: none"> • 2.1: Prepared business plans for KESH and OST, including performance indicators. • 2.2: A number of practical sessions have been organized around the Water and Sanitation Sector Strategy preparations. Within the process of donor coordination other donors are taking the lead in providing training in the water sector – so only one final additional training activity is expected. • 2.3: A methodology for prioritizing rural investments was drafted and it includes (a) an understanding of water use patterns and needs in rural areas; (b) the identification of technical solutions to reconcile both the shortfalls of supply in rural areas with rural needs with respect to water service provision. The analysis was conducted with respect to Durres and it is expected that other donors will

Outputs	Activities	Achievements (as of November 2011)
		apply these lessons in other context.
Output 3: Public relations of KESH, ERE and GDWS improved	<ul style="list-style-type: none"> • Activity 3.1:Design and implementation of a national survey on citizens' perceptions of the quality of electricity and water services (<i>UNDP</i>) 	<ul style="list-style-type: none"> • The company to design and implement the survey was contracted in June 2011. Work is ongoing and completion date is estimated at December 2011.
Output 4: Public awareness on utility provision increased	<ul style="list-style-type: none"> • Activity 4.1: Discussions between central authorities, local government and citizens on water sector issues based on the survey prepared under activity 3.1 and on water sector reform organized in several regions of Albania (<i>UNDP</i>) 	<ul style="list-style-type: none"> • <i>Will take place later in 2011 and early 2012.</i>
Outcome 2: Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies		
Output 5: State bodies' capacity increased	<ul style="list-style-type: none"> • Activity 5.1: The Director of MSSAD trained in the use of consumer complaints data for policy making. Study tours in Italy and Romania organized on overall consumer protection systems, complaints mgt. and cooperation with consumer protection associations/CPAs (5 staff of MSSAD, 4 CPC members, 1 consumer association staff and 1 journalist) (<i>UNDP</i>) • Activity 5.2: Training of MSSAD/CPC and consumer protection NGO staff in: a) enforcement of EU consumer credit directive; b) enforcement of EU distance marketing of consumer financial services directive (<i>UNDP</i>) • Activity 5.3: Establish National Complaints Management System (CCMS), support software design, installation and training for the use of the software (<i>UNDP</i>) • Activity 5.4: Formulation of training programme and training of lawyers on the provisions of the consumer protection law through one or several workshops (<i>UNDP</i>) • Activity 5.5: Upgrading the skills of the staff of the Foundation for Conflict Resolution to handle business-consumer matters (<i>UNDP</i>) • Activity 5.6: Review of the electricity and water 	<ul style="list-style-type: none"> • Director of MSD trained in Brussels on consumer complaints management. • 2 study tours organized (Italy and Romania) in favor of 5 staff of MSD, 5 members of CPC and 1 journalist dealing with consumer issues. • 15 CPS MSSAD staff, CPC members and consumer protection associations trained in unfair commercial practices and unfair terms of contracts by an expert of the Italian Competition Authority. • 15 CPS MSSAD staff, CPC members and consumer protection associations trained in enforcement of EU consumer credit directive; and in enforcement of distance marketing of consumer financial services directive by an expert of the Bank of Italy. • The CCMS has been finalized and tested with international technical support in June 2011. The CCMS was launched and is fully operational. • A web site for the Consumer Protection Commission has been developed and is public. • 4 computers and one printer have been procured for METE. • A training of trainers' programme for the consumer associations that is also suitable for lawyers has been developed. • This activity involves the training of 60 staff from the Foundation (Tirana, Durres and Korca) as well as 8 METE staff and includes the mobilization of national and international consultants.

Outputs	Activities	Achievements (as of November 2011)
	<p>contracts for compliance with the consumer protection law and drafting of model contracts (<i>UNDP</i>)</p> <ul style="list-style-type: none"> • Activity 5.7: Study on the consumer services of the water utilities and formulation of recommendations for the establishment of a model for the customer services of the water utilities (<i>UNDP</i>) • Activity 5.8: Mid-term review of implementation of the food and non-food components of Strategy for Consumer Protection and Market Surveillance and preparation of Action Plan (<i>UNDP</i>) • Activity 5.9: Amendment of the Market Surveillance Law, drafting of complaint procedure and update of the Commentary on CP law (<i>UNDP</i>) 	<ul style="list-style-type: none"> • The “model” contract for water has been finalized. 10 regional gatherings have been organized with WRA to present the contract. 144 staff of the water utility companies participated in these gatherings. 20,000 copies of the contract and the same number of leaflets to publicize the contract were printed. • The “model” water contract has been presented by WRA and MTPW at the Stockholm World Water Week in August 2011. • Two national consultants were contracted for the electricity contract but their contract was terminated after they produced their first output (70% of the cost of the 1st output was paid). • An international company was contracted for the study, which was completed in September 2011. (<i>Results will be presented to water utility companies in December 2011</i>). • A mid-term review of the <i>non-food products</i> component of the Strategy for Consumer Protection and Market Surveillance has been conducted. • A mid-term review of the <i>food products</i> component of the Strategy for Consumer Protection and Market Surveillance has been conducted. • The consultant to work on the market surveillance law was contracted in August 2011 and has completed his task. • (<i>A consultant will work on the drafting of the complaint procedure and the update of the commentary in late 2011/early 2012</i>).
<p>Output 6: Consumer protection capabilities developed in 6 pilot regions</p>	<ul style="list-style-type: none"> • Activity 6.1: Capacity development needs assessment of the consumer protection associations (<i>UNDP</i>) • Activity 6.2: Formulation and implementation of a national consumer awareness campaign (airing of TV spots on consumer rights) (<i>UNDP</i>) • Activity 6.3: Training of media on consumer rights (<i>UNDP</i>) • Activity 6.4: Consultations with journalists on consumer protection (<i>UNDP</i>) 	<ul style="list-style-type: none"> • A capacity development needs assessment for ZMK and ACA were conducted. • 2 TV talk shows on the topic of consumer protection have been organized. • 500,000 brochures and leaflet on consumer rights were distributed all over Albania. • (<i>2 TV spots on consumer rights in Albania have been prepared and 3 are under preparation and air time for 5 TV spots are pending</i>). • 10 trainings to the benefit of 200 journalists were organized in different regions of Albania.
<p>Outcome 3: Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas</p>		

Outputs	Activities	Achievements (as of November 2011)
<p>Output 7: Adequate mechanisms in place to facilitate effective tariff reform</p>	<ul style="list-style-type: none"> • Activity 7.1: Taking stock of available micro-economic data to identify knowledge gaps that the new data collection should address (WB) • Activity 7.2: A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers (WB) • Activity 7.3: National survey on willingness to pay for electricity and water as a tool to anchor price increases on revealed preferences of households (WB) • Activity 7.4: Poverty and social impact analysis of tariff reforms in the electricity and water sectors (WB) • Activity 7.5: Analysis of potential national mechanisms for the protection of the poor and vulnerable from tariff increases (WB) 	<ul style="list-style-type: none"> • 7.1: A data assessment was conducted to identify whether existing resources could provide an appropriate basis for this type of analysis in the water and energy sector. • 7.2: Two background studies were conducted: 1 on the effectiveness of support for electricity users; and 2. on the effectiveness of support for water users. The final report will build on a number of background pieces: (a) A review of existing means of supporting energy consumption and of the coordination between state agencies and utilities; (b) A companion piece for the water sector. Given the decentralized nature of the water sector we will both look at general programs and will then explore municipal ones – with a focus on Durres to keep the task manageable as these programs are highly city specific; (c) An analysis of existing social assistance data (to the extent possible) to identify effectiveness of support. All these pieces are intended to feed into final report on policy alternatives to be conducted going forward (activity 7.5). • 7.3: No suitable data source was identified for the water sector, particularly given different standards of service in different utility service areas. As conducting a nationally representative survey for the analysis of water issues would have exceeded the scope of the budget available, a decision has been taken to focus on one problematic service area (Durres) and conduct an in depth survey there. As the final product aims to provide advice on how to balance issues of non-payment for water (pervasive in the country) with concerns for the distributional impact of higher water tariffs likely to accompany improved water supply, a Willingness To Pay (WTP) survey was identified as the appropriate analytical tool (preliminary results are available, but due to conflicting commitments of the consultants we do not expect that it will be ready before February 2011). • 7.4: For the energy sector, given high connection rates in the country (leaving aside the informal areas) it was concluded that an analysis based on existing data (Living Standards Measurement Study) would be appropriate and nationally representative. An initial draft of an assessment paper based on the LSMS has been completed and preliminary discussions with the Regulator have taken place. The paper is currently under revision, and in its revised form will be presented at a workshop in January/February 2012. Additional qualitative data collection activities have been performed with separate financing to complement existing information on energy use patterns during the year, existing coping mechanisms,

Outputs	Activities	Achievements (as of November 2011)
		<p>the consequences of disconnection etc. to inform the final output of this activity and more generally of the project.</p> <ul style="list-style-type: none"> • 7.5: A report will identify policy options based on (a) options discussed in the literature, as well as experiences of countries currently dealing with similar issues; (b) our assessment of the effectiveness of existing programs aimed at guaranteeing energy affordability for vulnerable consumers as well as of other social assistance programs in the country; (c) the PSIA results which will show the scope of the needs in this areas as tariff rise. Given the ongoing dialogue on social assistance reform we hope to present initial findings of this overall report in January/ February 2012 to the Ministry of Labor. In addition we plan on having a broader workshop to discuss the analytical underpinnings of this report with Ministry officials, representative from civil society etc. before finalizing the report.
<p>Output 8: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized</p>	<ul style="list-style-type: none"> • Activity 8.1: Study on access to water in informal urban settlements and rural areas (<i>UNDP</i>) 	<ul style="list-style-type: none"> • (<i>At the request of WRA the programme will prepare a study on access to water in the informal settlements and rural areas of 5 districts</i>).

93. In the meantime, it was also noted that expected outcomes and outputs remained the same ones as those that were approved initially; however, the list of planned activities changed significantly over time. These changes were made to adapt to changes in the Albanian context related to water, energy and consumer protection and all changes were reviewed and approved by the PSC and NSC. Annex 8 presents the indicative activities in the JP document, the changes made during the start up phase and the final list of activities implemented by the JP.

94. Due mostly to the fact that the starting date of the JP was about 2 years after its approval (*see Section 4.3.1*), there was a need to review and update the JP document at start up. This review took place during the start up phase and changes made to the list of activities were documented in a report titled *“Updated Activities, Work Plan and Budget”*. The review stated that *“all the objectives of the JP as reflected in its three outcomes remain relevant despite the institutional changes that have taken place over the last two years and significant donor support in some of its areas of intervention. Nevertheless, the changes in the environment made necessary adjustments to the programme’s activities including the dropping of some activities and the inclusion of new ones”*. Furthermore, changes of some activities were justified as follows:

- *As regards to Outcome 1 - Capacities of regulatory bodies to better monitor the provision and efficiency of service delivery enhanced, the most significant changes were made in the energy sector to take into account the considerable support already provided and planned to be provided to ERE by several major donors. In view of this, the capacity building components targeting ERE have been substituted by support to the preparation of business plans for KESh and OST and agreements on performance.*
- *Activities under Outcome 2 - Consumer associations and state bodies strengthened to provide a strong national voice for customers were substantially modified so as to be better aligned with the recently adopted policy and legislative framework, namely the Strategy on Consumer Protection and Market Surveillance and the law on consumer protection.*
- *The social component of the EG programme which corresponds to Outcome 3 – Vulnerable groups, people in need, and those living in informal areas benefit from pro-poor utility policies is the one that least needed updating. All the planned activities are as relevant today (May 2010) as they were when the programme was designed.*

95. One main area of change is under *Output #6 - Consumer protection capabilities developed in 6 pilot regions*. The initial plan was to support the work of the Central Technical Inspectorate (CTI) and consumer protection associations in 6 regions, to provide legal support for implementation of the cross-sectoral strategy on *“Consumer Protection and Market Surveillance”*, to develop the capacity of state bodies responsible for consumer protection (CTI, market surveillance department), as well as for consumer associations, for issues related to unfair terms in utility contracts with users and to redress mechanisms available to consumers. After all changes were made, activities that were finally implemented include the assessment of capacity development needs of the consumer protection associations, the formulation and implementation of a national consumer awareness campaign (airing of TV spots on consumer rights) and the training of media on consumer rights and on the provisions of the consumer protection law.

96. The review indicates that it is a major change of focus, which will contribute less than planned to the development of consumer protection capabilities and strengthening the voice of consumers. The change happened during the mid-way period of the JP and was strongly guided and approved by members of the PMC. It was felt that the existing consumer associations (2) were too weak. However, as the capacity development needs assessments for both associations indicate, there was potential to strengthen these 2 associations and this type of consumer association is part of the consumer protection framework needed to comply with EU *acquiscommunitaires*. These assessments state that despite that the Law on consumer protection envisages an ambitious role for Albanian consumer associations there is no tradition to state cooperation with NGOs in Albania. This lack of trust impacts greatly the availability of state funding for associations, including these two

consumer associations. Nevertheless, the assessments concluded, “*the associations’ capacity issue is a “chicken and egg situation”*”. *The associations are weak because they receive no support; they do not receive support because they are weak*”. Finally these assessments show that if public financing is weak, donor support should play a role in strengthening this type of association.

97. In conclusion, the JP implemented activities responding to national priorities in the water, energy and consumer protection areas. The programme was flexible enough to adapt to changes of context such as new strategies, institutional changes, etc. However, regarding the changes under output #6, the Evaluation Team recognizes that these changes were fully approved by the NSC and the PMC. Nevertheless, the change of focus under this output prevented the JP to contribute to the strengthening of consumer protection associations in Albania; opportunities were missed in this area to strengthen the voice of consumers.

4.2.2. Contribution to Capacity Development

98. From a capacity development point of view, most activities supported by the JP are about developing the capacity of people and related institutions involved in the management of water, energy and consumer protection sectors. For instance, the JP supported the assessment of the current power market model and suggested recommendations for improving the monitoring functions done by ERE; two study tours in Italy and Romania were organized to visit overall consumer protection systems, complaint management systems and cooperation with consumer protection associations; two mid-term reviews of non-food and food products, both components of the Strategy for Consumer Protection and Market Surveillance were conducted. In these cases, capacities of individuals and institutions were strengthened.

99. However, the Evaluation Team noted that this programme is only a two-year programme - which is short to ensure any long-term sustainable capacity development impact - and that there was no clear approach to develop capacities that were explicitly stated in the joint programme document. The JP remains a set of activities to be implemented with a good focus on capacity development. However, the lack of a comprehensive capacity development approach may affect in some cases the long-term sustainability of some achievements. For instance, the development of business plans for KESH and OST does not mean that they will be used and that any capacities have been developed. It is part of developing the capacity of KESH and OST but more needs to be done to ensure that the capacity of these organizations is developed and their performance improve. The same is true for the study on access to water in informal settlements and rural areas. The study is part of the process to develop the capacity of water suppliers (to know what is going on!) but more is needed for the water utilities to be able to give access to water to these communities. Nevertheless, the risk linked to the sustainability of these capacity development activities is mostly mitigated by the fact that this programme responds to national priorities and is part of larger strategies and programmes, which need the results of these activities to move forward (*see Section 4.5*).

100. Globally it is now well recognized that capacity refers to the overall ability of a system to perform and sustain itself⁹. Capacity development encompasses the acquisition of skills and knowledge for individuals, the improvements of institutional structures, mechanisms and procedures and finally the strengthening of an enabling environment (system) with adequate policies and laws. Capacity is the sum of a series of conditions, intangible assets and relationships that are part of an organization or system and that are distributed at various levels:

- Individuals have personal abilities and attributes or competencies that contribute to the performance of the system;

9 See the study on “*Capacity, Change and Performance*” conducted by the European Center for Development Policy Management; which explored the notion of capacity and capacity development (<http://www.ecdpm.org/>).

- Organizations and broader systems have a broad range of collective attributes, skills, abilities and expertise called capabilities which can be both 'technical' (e.g. policy analysis, resource assessment, financial resource management) and 'social-relational' (e.g. mobilizing and engaging actors to collaborate towards a shared purpose across organizational boundaries, creating collective meaning and identity, managing the tensions between collaboration and competition).

4.2.3. Risks and Assumptions / Risk Mitigation Management

101. Two major risks were identified during the formulation of the JP as well as their corresponding mitigation activities. There are presented in table 3 below.

Table 3: List of Identified Risks and Mitigation

Risk	Mitigation
<p>1. Political risk: Decisions to raise electricity and water tariffs, or to crack down on informal connections to public service infrastructures, are controversial. The next general elections in Albania are scheduled for mid-2009 and as experience has shown they may be affecting the programme and the policies and reforms that it will be supporting. On the other hand, with the decentralization of water management, municipal councils approve water tariffs. This may pose another political risk to the programme at the lower level as sometimes central and local governments have disagreements often fuelled by political inclinations.</p>	<ul style="list-style-type: none"> • While political risks are usually a common risk around elections in transition countries, the EU integration process provides a strong impetus for cross-party cooperation in Albania. This programme’s objectives are in line with the Stability and Association process in Albania and the strong government commitment for reforms will be the major source of risk mitigation in this case. Furthermore, the programme partners will ensure that programme activities are managed with due regard for the political constraints facing national partners—while simultaneously reminding these partners of the need for commitment and resolve. • A secondary risk mitigation strategy is developed. The programme will work with central and local level authorities in order to build grassroots support for the different activities, regardless of political affiliation. This will reduce the possible sensitivities linked to the upcoming elections.
<p>2. Technical risk: The programme’s efforts at strengthening the inclusive aspects of social and consumer protection associated inter alia with tariff increases are occurring against a very complicated structural reform agenda. The roles of the state, private actors, and civil society in the energy and water sectors are being redefined via market liberalization, privatization, and decentralization processes, many of which are linked to EU accession requirements.</p>	<ul style="list-style-type: none"> • These risks must be minimized by ensuring that: <ul style="list-style-type: none"> ○ The complexity of these processes and their mutual interactions are fully understood by the programme partners; ○ All relevant stakeholders are appropriately included in management frameworks (e.g., the programme steering committee); ○ The appropriate expertise is provided by the relevant World Bank and UNDP headquarters and technical offices.

102. These two risks were certainly major risks at the design stage of the programme. However, this final evaluation indicates that there were properly monitored and despite that they could be rated between medium and high, the mitigation measures were applied by the JP management team and partners. The review of the implementation period indicates that despite the sensitivities of these sectors (water, energy and consumer protection), the JP was able to make progress in a complex but sound environment. It was also noted that the EU integration process is a major driving force in Albania for political support in the context of implementing needed reforms in these areas.

103. Additionally, operational risks and assumptions for each activity were monitored regularly by the JP management team and reported in the semiannual monitoring report. Nothing unusual is reported in this area.

4.3. Efficiency of the Joint Programme

104. This Section presents findings on the efficiency of the joint programme that is a measure of the productivity of the programme intervention process. It reviews to what degree achievements derived from an efficient use of financial, human and material resources. It reviews the overall management approach and the use of adaptive management, the financial management of the programme, the technical assistance, the delivery mechanisms, the participation of stakeholders and the monitoring approach to measure the programme’s progress.

4.3.1. Joint Programme Management Approach

105. The joint programme is well managed. The JP management team follows MDG-F procedures for JP implementation and uses an adaptive management approach extensively to secure project deliverables while maintaining adherence to the overall project design. The review indicates that JP achievements are well aligned with the updated report that was completed at the start up of the JP and approved by the programme management committee. This updated report has been used as a guide for the implementation of the JP (see Section 4.1.6). An efficient JP implementation team is in place (see Section 4.3.3), detailed work plans have been guiding the implementation, assignments are conducted with the participation of relevant stakeholders and the programme is guided by an effective and efficient Programme Management Committee (PMC) chaired by a Deputy Minister of METE. The committee meets regularly and on an as needed basis; it reviews the progress made by the programme and approves annual work plans.

106. There are only two Agencies implementing this JP, which is unusual: UNDP and World Bank. It is also said that this is the only MDG-F joint programme in the world, which involved the World Bank. Based on the comparative advantage of both Agencies, clear roles and responsibilities were assigned to each agency for the implementation of the JP, including the technical and financial responsibility to support the implementation of their respective set of activities. The table below indicates these responsibilities:

Table 4: Output Responsibilities per Agency

Agency	GOA Main Counterparts	Outputs
UNDP	<ul style="list-style-type: none"> ○ METE ○ ERE ○ GDW ○ WRE ○ Local Gov. Units 	Output 3, 4, 5, 6, 8
WB	<ul style="list-style-type: none"> ○ ERE ○ MPWTT ○ GDWS ○ METE ○ MLSAEO ○ CSO 	Output 1, 2, 7

107. Key management elements of the JP are presented below:

Management Mechanisms

108. The management and coordination arrangements for the implementation of the JP include:

- Ministry of Economy, Trade & Energy (METE) and the Ministry of Public Works, Transport and Telecommunications (MPWTT) are the two main government counterparts; respectively METE for the energy sector and consumer protection components and MPWTT for the water sector component;

- UNDP and the World Bank jointly co-lead the programme;
- A National Steering Committee (NSC) was established to oversee and coordinate the operations of JPs funded under the UNDP-Spain MDG Achievement Fund in accordance with the Terms of Reference of the Fund. The NSC has overall responsibility for programme activities. It provides strategic guidance and oversight and approves programme documents including subsequent revisions and Annual Work Plans (AWPs) and budgets. The NSC is comprised of the UN Resident Coordinator, the representative of the Spanish government – the Ambassador, and the Director of the Department for Strategy and Donor Coordination of the Government of Albania and meet twice a year;
- A Programme Management Committee (PMC) was created to coordinate and oversee the programme implementation. As a principal coordinating and supervisory body for implementation of programme activities, the PMC provides policy guidance and recommendation regarding programme strategy and objectives and periodically reviews and oversees the financial and programme achievements. The PMC includes representatives of the METE, the MPWTT, UNDP and the World Bank and it meets on a quarterly basis. Civil society and local authority representatives are also invited to take part in PMC meetings;
- Implementation responsibilities were divided between the two main partners. UNDP - under the oversight of the UN Resident Coordinator – is in charge of overall programme coordination, leads consumer protection activities, and provides particular expertise in the programme’s civil-society. The World Bank leads the programme’s national energy and water-sector activities, and provides technical expertise in areas of regulatory reform and analysis of distributional impact from tariff increases;
- An International Chief Technical Advisor (CTA) was appointed, reporting through UNDP to the UN Resident Coordinator. Together with the programme management team, the CTA manages the programme on a day-to-day basis, on behalf of the PMC. He ensures that the programme produces the anticipated results, to the required standard of quality and within specified time and cost requirements;
- The World Bank hires international and national consultants to provide policy advice and technical assistance needed for capacity development activities for the benefit of key stakeholder organisations. These consultants are supported and augmented by in-country World Bank staff;
- Each participating organization (UNDP and WB) assumes complete programmatic and financial responsibility for the funds disbursed to it by the Administrative Agent (AA) and can decide on the execution process with its partners and counterparts following the organization’s own applicable regulations;
- The MDG-F funds allocated to this JP are channelled through UNDP acting as the Administrative Agent (AA) of the fund. Each organisation assumes complete programmatic and financial responsibility for the funds disbursed to it by the Administrative Agent (AA) and can decide on the execution process with its partners and counterparts following the organization’s own applicable regulations.

Management Approach

109. Adaptive management has been used regularly to adapt to a constantly changing environment; particularly to commit project resources when there is a need and not only to meet a disbursement schedule. As a result, the services delivered are of good quality and each assignment is conducted on an as needed basis. This approach is particularly important in the context of Albania where there is a good donor coordination approach; particularly in the water sector.

110. The day-to-day management of the programme is much activity-based as opposed to be more results¹⁰-based (RBM). Instead of focusing on two outcomes and 8 outputs, there is a strong focus on managing the

¹⁰ There are many definitions about what is a development result; however, a consensus exists in the development community that “*a result is a describable or measurable change in state that is derived from a cause and effect relationship*” (CIDA 2008).

implementation of the 25 distinct activities. This focus on activities has been driven by the design that is much activity-based (see Section 4.1.6) and it is reflected in the JP document where activities were numbered from 1 to 23 as opposed to activities numbered 1 to n under each output.

111. Additionally, the structure of the result framework (outcomes and outputs) is not conducive to an effective RBM; most activities are somewhat standalone activities. The connection between activities and their related output and outcome is sometimes difficult to make. For instance, the connection between the activity 3.1 (*Design and implementation of a national survey on citizens’ perceptions of the quality of electricity and water services*) and output 3 that was “*Public relations of KESH, ERE and GDWS improved*” is not straightforward.¹¹ To reach this expected output, the survey will not be enough but more support will be needed such as developing the capacity of these organizations in public relations using the results of the national survey but also setting up systems, communication strategies, etc. Another example is output #1 that is covering both the water and the energy sectors. It renders the management by results difficult when the expected result covers two sectors.

112. Nevertheless, despite the lack of management by results, the set of activities that has been implemented is good and as discussed in Section 4.1.6, they correspond to current national priorities and are part of larger strategies and programmes.

113. The coordination between UNDP and the World Bank for the day-to-day management of the JP has not been easy; though it was helped from the goodwill from managers involved on both sides. These difficulties are due mostly to differences in the administration and management of projects and programmes as well as the management set-up between UNDP and the World Bank, whereby UNDP is responsible for the overall implementation of the JP vis-à-vis the MDG-F, and the World Bank is legally contracted by UNDP on the basis of a Fee-Based Service (FBS) to implement a distinct set of activities. Two management areas are particularly limiting a good coordination of programme activities:

- (i) The decision-making process is done in Tirana for UNDP, whereas it is done mostly in Washington for the World Bank. Despite email communication, it creates difficulties to make common decisions when one organization is making decision “on-site” and the other is far from the day-to-day actions.
- (ii) The administration system of the World Bank does not seem to be able to track disbursements by activity (only by input such as fees, travel expenses, etc.) rendering the financial consolidation of total expenditures by activity, output and outcome quasi impossible;

114. Finally, the MDG-F visibility of the JP varies greatly between the two partners. The MDG-F visibility of activities supported by the JP and implemented by UNDP is satisfactory. The MDG-F logo is prominent on all programme deliverables and partners and stakeholders are aware that these activities are financed by the MDG-F, which is funded by the Spanish government. However, the MDG-F visibility on activities implemented by the World Bank is not as visible and more effort by the World Bank would be welcome in this area. Studies, assessments and other products funded by the programme should have the MDG-F logo on the front page. Additionally, partners and stakeholders should be more aware that these activities are financed by the MDG-F and funded by the Spanish government.

Implementation Scheduling

115. The Evaluation Team noted that the programme had a long delay between the date it was approved – April 2008 - and the actual starting date of January 2010; corresponding to the date when the Chief Technical Advisor (CTA) started on the programme. The official starting date of the programme was in August 2009 when the first tranche of the JP was sent to UNDP by the MDG-F. As a result of this delay at start-up, the programme was granted a 6-month no-cost extension to end of January 2012.

¹¹ It was noted that this output was changed to “*Citizens’ perceptions of the quality of electricity and water services mapped*” during the inception phase.

116. This 2-year delay was mostly due to negotiations to find a way for an agreement between UNDP and the World Bank. After the JP was approved back in April 2008, both partners were eager to establish an agreement among them and start implementation as soon as possible. However, no precedence existed for such an agreement in the context of implementing MDG-F joint programmes and after spending a year in trying to put an agreement in place at the corporate level – i.e. headquarters of UNDP and World Bank – both UNDP and World Bank management team cancelled this approach. At this point, a precedence where the World Bank was a “sub-contractor” to UNDP for implementing one project was found. The model was used to draft an agreement between UNDP and the World Bank but it took another year to finalize and sign this agreement. From a World Bank point of view, this agreement is also called a Fee-Based Service (FBS) contract. The review found that it was not the best mechanism but at the time, it was the best management instrument that allowed the JP to be implemented.

117. At the September 7, 2011 PMC meeting, members discussed and approved a proposal asking for a second no-cost extension of 3 months. Then in November 2011, due to delays in implementing some activities, this extension was reviewed and “extended” to another 2 months for a total of about 5 months with a project ending date of end of June 2012. This final second extension of 5 months was approved by the PMC and endorsed by the National Steering Committee (NSC) members (November 17-18, 2011). This extension was packaged into a document titled “*Sustainability Strategy*” that included a review of JP results and that was submitted to the MDG-F for decision.

118. The Evaluation Team reviewed this sustainability strategy, which could also be called an exit strategy. From a management perspective, it is somewhat late to request an extension when the programme is supposed to close in a few weeks. However, this extension is about finalizing activities that are supported by the JP and a clear plan of activities to be conducted/finalized are part of the request. The remaining budget is also allocated to these activities with no extra budgetary resources requested. The CTA will terminate his 2-year contract in January 2012 and a “leaner” management team will ensure the management functions until the closure of the programme. The Evaluation Team supports this request for a 5-month extension.

Gender Approach

119. Gender equality was assessed as a crosscutting issue in the JP document. Moreover, the programme was devised as using a gender-sensitive approach – particularly for the implementation of the second and third outcome - recognizing that women are primarily responsible within the household for finding alternative sources of energy and water. On the progress reporting side, the JP reported gender-disaggregated data in the semiannual monitoring reports.

4.3.2. Financial Management

120. The management of JP finances presents some complexities as it involves 2 different financial management systems. As per the agreement between UNDP and the World Bank, two advance payments¹² for the advisory services provided by the World Bank was made by UNDP to the World Bank, representing a total of \$743,650. A World Bank final certified financial statement is to be provided to UNDP no later than 30 days after the end of the programme, including the transfer of any remaining dollars. Additionally, as per the agreement, the World Bank was requested to report annual financial reports but no template was given in the agreement; only an invoice template that indicates a breakdown by input type such as international travel, fees, hotel, etc. As per the fund management arrangement with MDTF office, UNDP is requested to provide certified annual financial reports - according to a budget template that is provided by the MDTF Office - stating

¹² The first advance payment was to be made immediately upon signature of the agreement and the second advance payment was to be made by UNDP upon receiving the first annual report and the first annual financial report.

expenditures incurred by the JP during the reporting period prior to April 30 of the following year. A 7% management fee applied on programme expenditures compensates indirect costs for each Agency.

121. Due to some differences in administering projects and programmes, the consolidation of financial information was difficult throughout the life of the JP. The MDG-F requirement was to report financial information by activity, output and outcome; however, World Bank financial information was available only by input (*see also Section 4.3.1*).

A note on how the MDG-F funds are managed

122. Under the MDG-F initiative, fund management arrangements were set to mobilize financial resources in an efficient way. This arrangement was based on the “pass-through” fund management option as guided by the UNDG guidance note on joint programming. The MDG-F funds allocated to this JP were channeled through the UNDP Office of Finance and UNDP acts as the Administrative Agent (AA). The accountability rests with the Executive Coordinator of the MDTF Office with some delegation of authority to the UN-RC in Albania. Each Agency is to assume complete programmatic and financial responsibility for the funds disbursed to it by the AA and can decide on the execution process with its partners and counterparts following the organization’s own applicable regulations.

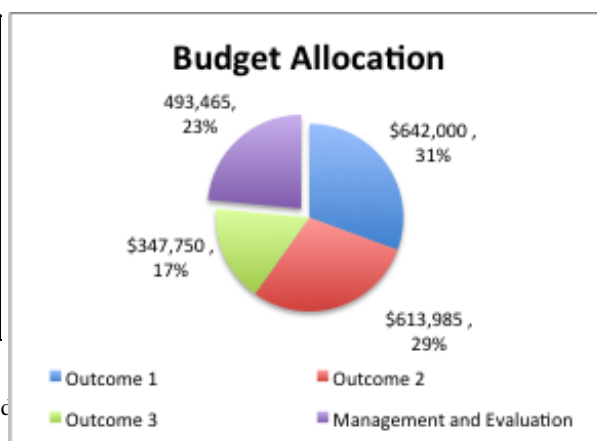
123. Once the PMC and the NSC approve an annual work plan and budget, an annual Fund Transfer Request is made by the UN-RC on behalf of the NSC to the MDTF office. Once the request is cleared by the MDG-F Secretariat, the requested funds are transferred by the MDTF to the respective UN Headquarter Agencies. Each agency is, then, fully responsible for the funds received to implement “their” activities as well as for the execution modality, and method of transfer funds to its partners and counterparts. It is to be noted that the release of funds is subject to meeting a minimum commitment¹³ threshold of 70% of the previous fund release to all UN Agencies and clear progress towards results.

124. In the case of the *Economic Governance* Joint Programme of Albania, the set-up for the transfer of funds was much easier. There is only one UN Agency to receive the MDG-F funds and the World Bank implement JP activities based on a Fee-Based Service whereby UNDP was to give two advance payments to the World Bank. Therefore, accessing funds was easy, however, the differences between both systems and procedures prevented a smooth financial management approach and limited the capability of the JP Management Team to report complete and timely financial information.

125. Based on the information reviewed by the Evaluation Team, the entire budget of \$2,097,200 will be disbursed by the end of the programme. A no-cost extension was sent recently to the MDG-F Secretariat and it is proposed to fund this extension with the remaining budget. The utilization of funds by Agency is as follows:

Table 5: Status of MDG-F Funds Utilization by UN Agency

Item	Budget Allocation
Outcome 1	\$642,000
Output 1	224,700
Output 2	214,000
Output 3	128,400
Output 4	74,900
Outcome 2	\$613,985



13 Commitments are defined as legally binding contracts signed, including years.

Item	Budget Allocation
Output 5	309,035
Output 6	304,950
Outcome 3	\$347,750
Output 7	304,950
Output 8	42,800
Management and Evaluation	493,465
Total UNDP	\$1,353,550
Total WB	743,650
Grand Total	\$2,097,200

126. The graph beside indicates the budget allocation per outcome and to the management function.

127. Finally, the Evaluation Team noted that no mention of co-financing was made in the JP document.

4.3.3. Quality of Technical Assistance / Use of National Capacity

128. A highly professional team implements the JP. There is a core team of 3 staff to coordinate the implementation of JP activities and it is complemented by national and international experts when needed for specific work assignments such as capacity assessments, capacity needs assessments, studies, surveys, reviews, training and legal support, etc. The core MDG-F Management Team includes 1 Programme Manager, 1 Chief Technical Advisor (CTA) and 1 Programme Assistant all funded by the MDG-F funds. As per the agreement between UNDP and the World Bank, each Agency uses its own procedures to hire experts and consultants.

129. The recruitment of the CTA took longer than anticipated and delayed the start of the implementation of the JP by a few months as part of the overall 2-year delay at start-up (see Section 4.3.1). The CTA managed the programme on a day-to-day basis, on behalf of the PMC, and with the support of the MDG-F Management Team. The CTA reported through UNDP to the UN Resident Coordinator.

130. Following difficulties to find available office space within the counterpart offices, UNDP provided the JP Management Team with an office located in UNDP offices.

131. Overall the review found a highly motivated staff and dedicated to the programme. They coordinated JP activities well and provided an efficient and flexible management approach to adapt day-to-day activities to changes while securing timely implementation of planned activities.

4.3.4. Country Ownership / Stakeholder Participation

132. The country ownership of the “Economic Governance, Regulatory Reform and Pro-Poor Development in Albania” joint programme is good. The programme is very relevant for the development of Albania and national partners are much involved in the implementation of the programme. The implementation of the JP was monitored by the PMC on an on-going basis, annual work plans were approved by the PMC and endorsed by the NSC and any other decisions related to the JP are made by the PMC. The fact that two Deputy Ministers have been active members of the PMC indicates the strong interest of national partners in the

The joint programme is very concrete, produces results and is driven by the PMC.
Comment from one Stakeholder

JP.

133. The JP has two main counterparts: the Ministry of Economy, Trade & Energy (METE) for both the energy and consumer protection components and the Ministry of Public Works, Transport and Telecommunications (MPWTT) for the water component. In addition, the JP partnered with relevant organizations such as the Energy Regulatory Entity (ERE) and the General Department of Water and Supply (GDWS) both entities regulating their respective area; and utility companies in the water and energy sector.

134. One driver for developing good country ownership is the existence of a *Department of Strategy and Donors Coordination* located at the *Council of Ministers*. This is a high level body in charge of coordinating national strategies – including sectoral strategies - and external aid. Line ministries are fully engaged into this process and donors coordinate their support through this mechanism. The Head of this Department is a member of the NSC facilitating the coordination of JP objectives with relevant sectoral strategies in Albania.

135. However, some stakeholders also said that it took too long for the project to start-up after its approval (2 years) and a design phase that was too donor driven with limited time to engage national partners. Nevertheless, the strong interest in the JP and coordination by national partners put these national partners in the “driver seat” and a strong national ownership of the JP developed over time.

4.3.5. Monitoring Approach and Progress Reporting

136. The JP was monitored and progress was reported according to the MDG-F monitoring procedures. Progress made by the JP was reported semiannually to the MDG-F, using the template, which changed over the implementation period of the JP. Initially, the monitoring report was accompanied by a thematic indicators report. Since 2011, there is only one monitoring report template that contains a series of questions divided into four parts, including the general thematic indicators. At the end of this report a table presented the updated Programme Monitoring Framework (PMF) as well as a second table to present financial information by activities. Of particular value, the PMF presented the “*achievements of target to date*” for each JP performance indicators.

137. However, the monitoring process did not fulfill well its intent; the review indicates that information contained in the few progress reports did not provide the “*big picture*” of the reality on the ground. The review indicates that this information gap was partly due to the way information was reported; it reported progress on implementing activities as opposed to progress made toward higher level achievements. It is a case whereby the focus is on “*monitoring the trees and not the forest*”.

138. Initially, the PMF included a set of 18 indicators. This list was reviewed during the start-up phase and changed to a list of 24 indicators with their related baseline, means of verification, methods of data collection and responsibility centers. The lists of performance monitoring indicators from the JP document and from the Updated Activities Report (inception) are presented in the table below:

Table 6: List of Performance Indicators to Monitor the JP

Outcomes/Outputs	Indicators from JP Document	Indicators from Updated Activities (inception)
Outcome 1: Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery		

Outcomes/Outputs	Indicators from JP Document	Indicators from Updated Activities (inception)
Output 1: Key capacity constraints limiting the effectiveness of ERE and GDWS identified	<ol style="list-style-type: none"> 1. Number of recommendations from capacity diagnosis 2. Number of proposed policies 	<ol style="list-style-type: none"> 1.1 Capacity diagnosis of ERE and GDWS prepared and recommendations for follow up actions approved by the respective institutions 1.2 Shortcomings of the legal and regulatory framework governing micro-energy identified and decision to address them taken by METE
Output 2: Remedies to address capacity constraints and improve performance designed/implemented	<ol style="list-style-type: none"> 3. At least 80% of capacity diagnosis’ recommendations implemented 4. At least 80% of trained ERE and GDWS staff use new monitoring methodologies in their work 5. Gas delivery is regulated 	<ol style="list-style-type: none"> 2.1 Legislation regulating the generation of alternative energy sources that complies with international good practices drafted and submitted by METE to other institutions and partners for consultation 2.2 Enhanced monitoring methodologies using composite performance indicators designed and introduced at GDWS 2.3 Criteria and methodology to prioritize investment in rural areas developed and used by GDWS 2.4 Business plans to improve the performance of KESH and OST prepared and adopted by the respective institutions
Output 3: Public relations of KESH, ERE and GDWS improved	<ol style="list-style-type: none"> 6. Number of public hearings 7. Time to respond to a complaint from the public decreased by 25% 	<ol style="list-style-type: none"> 3.1 Methodology to conduct surveys of citizens’ perceptions of electricity and water services developed with the relevant central and local authorities and implemented nationally 3.2 Analytical report with policy recommendations for improving the performance of electricity and water utility providers prepared
Output 4: Public awareness on utility provision increased	<ol style="list-style-type: none"> 8. Number of leaflets and posters 9. Number of public awareness meetings/workshops 10. Customers awareness of Kesh, ERE and GDWS contact points and activities increased 	<ol style="list-style-type: none"> 4.1 At least 30 articles and reports dealing with the results of the survey presented by the media 4.2 At least 40 people, including senior government officials, attend the national round table and provide substantive inputs to the debate 4.3 At least 200 people attend the regional public hearings and have their awareness and understanding of electricity and water issues raised
Outcome 2: Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies		
Output 5: State bodies’ capacity increased	<ol style="list-style-type: none"> 11. At least 80% of trained staff use taught techniques in their work 12. Supporting legal acts formulated and approved 	<ol style="list-style-type: none"> 5.1 Structure, staffing and capacity requirements of MSD/CPS assessed and functional proposal in place 5.2 Key government and consumer protection NGO staff enhance their knowledge of EU member states’ consumer protection practices in order to be in a position to make informed policy decisions 5.3 Capacity of the new Market Surveillance Body and the CPS/CPC enhanced thanks to the training of at least 30 staff/members 5.4 Web-based National Consumer Complaints Management System established and operational 5.5 Mid-term review of Strategy on CP and MS

Outcomes/Outputs	Indicators from JP Document	Indicators from Updated Activities (inception)
		plus Action Plan developed and approved by METE
Output 6: Consumer protection capabilities developed in 6 pilot regions	13. At least 50% increase in the Number of consumer complaints received and dealt with by consumers association and CTI 14. Number of active consumer associations at the local level	6.1 Capacity assessment of consumer protection associations and recommendations for training prepared and followed up 6.2 The capacities of over 15 central staff and 40 regional focal points of the consumer protection associations raised in how to run a consumer protection association, provide consumer protection support and conduct public awareness raising activities 6.3 2 Model Consumer Advisory Centres established as a partnership between the consumer protection NGOs and the municipalities (and possibly METE) operational on a sustainable basis 6.4 20% increase in the Number of complaints received by the consumer protection associations
Outcome 3: Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas		
Output 7: Adequate mechanisms in place to facilitate effective tariff reform	15. Revision of ‘Ndhima Ekonomike’	7.1 Evidence on the impact of tariff reform on the poor prepared and analyzed for policy making purposes 7.2 Enhanced mechanisms for the protection of the poor from the impact of tariff reforms proposed and integrated in the government’s policy options
Output 8: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized	16. No of public consultations 17. At least double the number of customers paying utility bills in informal areas 18. At least 40% of residents/businesses of informal areas attended a public event	8.1 Two workshops (with at least 50 participants altogether) to discuss the legalization of utility connection in the presence of government representatives organized in Bathore&Keneta 8.2 At least 50 more residents of Bathore&Keneta pay their utility bills since the start of the project’s interventions

139. This set of indicators constitutes the PMF and is the main instrument to measure the progress made by the JP. However, as discussed above, this instrument is not fulfilling its intent; the review of these indicators raises two main issues:

- *Number of indicators:* For a project of this size, tracking 24 indicators is complex, costly and run the risk that it will not be done accurately and timely.
- *Type of indicator:* Current indicators are partly SMART¹⁴ but are also too focused on monitoring the implementation of activities. For instance, indicators 3.1 - *Methodology to conduct surveys of citizens’ perceptions of electricity and water services developed with the relevant central and local authorities and implemented nationally* and 3.2 - *Analytical report with policy recommendations for improving the performance of electricity and water utility providers prepared* are basically tracking activity 3.1 that is to design and implement a national survey on citizens’ perceptions of the quality of electricity and water services. The same is true for the indicator 2.4 - *Business plans to improve the performance of KESH and*

14 S: Specific; M: Measurable; A: Achievable; R: Relevant; T: Time-bound

OST prepared and adopted by the respective institutions that is tracking activity 2.1 that is to prepare business plans for KESH and OST and agreements on performance.

Another example are the indicators 4.1 - *At least 30 articles and reports dealing with the results of the survey presented by the media*; 4.2 - *At least 40 people, including senior government officials, attend the national round table and provide substantive inputs to the debate*; and 4.3 - *At least 200 people attend the regional public hearings and have their awareness and understanding of electricity and water issues raised*; all 3 indicators are tracking activity 4.1 that are discussions between central authorities, local government and citizens on water sector issues based on the survey prepared under activity 3.1 and on water sector reform organized in several regions of Albania.

All these indicators are not tracking developmental results but mostly degree of completion of activities. Moreover, no indicators are tracking progress in achieving JP outcomes. Therefore the PMF does not really provide information on whether the JP is progressing in achieving its 3 outcomes. For instance, from the reading of the related performance indicators, it is difficult to assess how far the JP has promoted pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas. There is no real measurement in place for this expected outcome #3. It is also to be noted that due to a weak formulation of the strategy of the JP, it would be difficult to identify a proper set of indicators to measure the progress made at the developmental level.

140. The Evaluation Team also noted that the Management Team has also been producing another set of progress reports – *Progress and Expenditure Reports* - mostly for PMC and NSC meetings. These reports are user-friendlier and present a narrative on each activity under implementation, accompanied by an updated work plan at the time of each meeting. It was noted that through these reports and regular meetings, PMC members were able to closely monitor the progress made by the JP; though with a focus on implementation of activities.

4.4. Potential Impacts of the Joint Programme

141. This section discusses the progress made so far toward the achievement of strategies and outcomes of the joint programme and the likelihood that programme achievements will have a long-term positive impact on the water, energy and consumer protection sectors in Albania.

4.4.1. Potential to Achieve the Programme’s Strategy

142. Measuring the potential for long-term impact of this joint programme is a difficult task. As discussed in Section 4.1.6, this is a programme with a broad scope – intervening in three critical sectors – a limited duration – two years – and a strategy that is too activity based without an overall objective to achieve. Nevertheless, this assessment demonstrates also that (1) the JP is very relevant in the context of Albania’s development (*see Section 4.1.1*); (2) most activities will be completed by the end of the JP (*see Section 4.2.1*); and (3) national partners are much engaged in the implementation of the programme, appreciate it and “own” the JP. As a result, the rather long list of deliverables produced by the JP will have a positive impact on the implementation of better water and electricity supply systems in Albania and also on improving the consumer protection system in the country.

143. As discussed in Section 4.1, the JP is addressing clear national priorities; it is part of larger strategies and programmes that are implemented in Albania with the support of international donors. Results of the JP will contribute to the implementation of these strategies and programmes. In many cases, the JP has been provided resources to fill some gaps, complement larger programmes with specific activities that are needed to move reform processes forward. In some cases, the JP was a programme that serves as a catalyst for establishing reform agendas in Albania. Despite the difficulties to measure this potential impact over the long-term, it is

almost certain that the JP will have a positive impact on the water, energy and consumer protection sectors.

144. When assessing the potential long-term impact per outcome, the review indicates that the greatest potential seems to be under outcome #1 that is to enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery. The JP provided the regulatory bodies with a wealth of information. It includes an assessment of the current power market model in Albania with a set of recommendations for ERE - the power regulatory body - to better monitor this market. The power producer (KESH) and the power transmitter (OST), both have now business plans to improve their performance. A survey of consumers was recently conducted and will provide both regulatory bodies with knowledge on citizen’s perceptions about the quality of electricity and water services in Albania. An assessment of water utilities customer service was conducted to benchmark the quality of customer service in water utilities in Albania and compare this benchmark with some international experiences. Finally, a study targeting the 15% of the population that are not covered by the existing water utilities has been conducted. This study provides information on consumers in suburban and rural areas where water utilities are not providing services yet. All together, these contributions supported by the JP provide the regulatory bodies with information and instruments. They are now better equipped to monitor the provision and efficiency of water and electricity service delivery.

145. Under outcome #2 that is to provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies, the JP supported the development and implementation of a “model” water contract¹⁵ that is now being implemented throughout Albania. With the support of the JP, a Consumer Complaints Management System (CCMS) has been finalized and tested with international technical support. This CCMS was launched in early 2011 and is now fully operational. A public web site for the Consumer Protection Commission has been developed. Two study tours took place in Italy and Romania for some representatives from the Albanian Consumer Protection Authorities to visit other EU consumer protection systems. These activities will strengthen the consumer protection system emerging in Albania and guided by the common strategy on consumer protection. However, as it was discussed in Section 4.2.1, the JP was to support the consumer associations. A capacity needs assessment of the two existing associations was initially conducted in 2010 but, following discussions at the PMC level, it was decided not to pursue in this direction. As a result, the JP impact on providing a strong national voice for consumers will be limited. An excellent CCMS is now in place, however, the system needs consumer associations as conduits for representing consumer interests in decision-making related to consumer protection, and also to organize and manage advisory centers on consumer guidance. The Evaluation Team found that opportunities were missed in this area.

146. Under outcome #3 that is to promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas, the JP also supported critical data collection exercises. A stocktaking exercise took place to collect micro-economic data on electricity and water in Albania including the identification of data gaps. A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers is under preparation. A survey on water practices and willingness to pay for improved water services in the district of Durrës and a study on access to water in informal urban settlements and rural areas are also underway. Finally, all this data is being analyzed to assess the potential social impact – including on poverty – of tariff reforms in the electricity and water sectors, and to identify potential mechanisms for the protection of the poor and vulnerable groups from tariff increases. Once completed, all these activities will have an impact on promoting pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.

4.4.2. Contribution to the Implementation of MDGs in Albania

¹⁵WRA and MTPW presented this “model” water contract at the Stockholm World Water Week in August 2011.

147. Albania is committed, since 2003, to implement the obligations of the Millennium Declaration and the Millennium Development Goals (MDGs). The latest national report on progress toward achieving the MDGs in Albania (2010) states that, considering the rate of progress of the percentage of the population declaring that they have access to safe drinking water, the national 2015 target of 98% is unlikely to be reached (*see Section 4.1.2*). As discussed in Section 4.1.2, the contribution of the JP toward the implementation of MDGs in Albania is mostly to support the achievement of the MDG-7 water related targets and also to achieve the (Albania only) MDG-9 targeting the disadvantaged groups through ensuring access to services and resources in accordance with the most advanced standards.

148. Overall, the JP is also addressing one of the major recognized challenges to achieve the MDGs, that is how to “*ensure the longer-term sustainability of basic services delivery and the achievement of MDGs and other socio-economic and European integration goals*”. The 2010 MDG progress report states the need for developing the needed system-wide and sustainable capacities in the Albanian system of public administration, including systems for data collection and monitoring. The JP has been addressing this challenge; particularly in the data collection area.

149. Furthermore, the JP contribution toward the achievement of the MDG-7 and MDG-9 can be summarized as follows:

- The JP supports the capacity development of the water regulatory body to better monitor the provision of water and the efficiency of the service provided to water consumers. It is part of improving the water supply system in Albania, including to give better access to drinking water to Albanians;
- The JP support to strengthen the emerging consumer protection system in Albania provides a system to collect complaints but it is also a channel for assessing customer satisfaction. Ultimately, this system should impact positively the delivery of drinking water to consumers;
- Finally, under outcome #3, the collect and analysis of the potential impact on vulnerable groups from utility tariff increases will contribute to ensuring that disadvantaged groups have still access to water and electricity services.

4.5. Sustainability of the Joint Programme

150. This section discusses the potential for the long-term sustainability of programme achievements. It is an indication of whether outcomes (end of programme results) and positive impacts (long-term results) are likely to continue after the programme ends.

4.5.1. Sustainability of Results Achieved

151. The sustainability of JP achievements should be ensured when considering the fact that most JP activities are part of larger strategies and programmes. The uptake of most deliverables will be through follow up activities funded by other national and international funded programmes.

152. However, the Evaluation Team noted that there was no sustainability strategy identified in the JP document. Chapter 7 is about feasibility, risk management and sustainability of results, but no mention of the last part – sustainability of results – is made in the chapter. In the semiannual monitoring report template, one question pertains to the sustainability of results: “*Measures taken for the sustainability of the joint programme?*”. Recently, a sustainability strategy was developed to be the support for the recently requested 5 months extension. This document is more of an exit strategy for the JP justifying the no-cost extension as a period to consolidate/finalize some activities before closing the programme. There is, however, an analysis of the “*potential for sustainability and/or impact*” in the document with a narrative statement for each activity on how

it will be sustainable.

153. Nevertheless, the prognostic for the long-term sustainability of JP achievements is good. As stated in the latest semiannual monitoring report, “*The activities of the JP are designed in such a way as to be sustainable. For instance, the “model” water contract developed under the UNDP-led component has been adopted by the Albanian authorities and is now being introduced by the 56 Albanian water utility companies. This “model” contract will impact the lives of over 3 million people. The consumer complaints management system has been established and is being used by the competent ministry to receive and manage consumer complaints. These are examples of concrete results with a sustainable impact*”.

154. Despite a weak sustainability strategy in the JP document and a design with some weaknesses (see Section 4.1.6), the implementation of the programme is done in such a way that the long-term sustainability of JP achievements should be ensured over the long run. The assessment conducted by the Evaluation Team indicates the following factors contributing to this long term sustainability:

- All activities implemented by the JP are not isolated activities; there are part of larger strategies and programmes that are coordinated by national partners with support from other donors. When a survey or a capacity assessment or a study was supported by the JP, the results were almost “automatically” feeding the next phase of the particular process such as drafting an amendment to a law, establishing a training programme, or identifying a strategy or programme.
- As discussed in Section 4.3.4, after a too-donor driven approach at the beginning of this programme, national partners were engaged and quickly ended up in the “driver seat” to implement the JP. Since then, the JP benefited from a strong national ownership where national partners were central to guide and direct the programme; particularly under the PMC chaired by the Deputy Minister of Water as the main decision-making body for the JP. Work plans were discussed and approved at the PMC level and activities and their timing were reviewed by members to ensure an effective contribution of the JP.
- The flexibility of the MDG-F initiative provided the JP with good flexibility that is responsive and address national priorities and national needs. The financial resources of the JP were used to support activities for on-going strategies and programmes, which will carry on after the end of the JP.

155. Outcome #1 was to enhance capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of the delivery of these service. Activities conducted under this outcome seek to increase the capacity of both regulatory bodies to better monitor the provision and efficiency of energy and water services, which in turn should improve the delivery of these services to consumers. It should also raise the awareness of consumers about their rights in this area.

- Under output #1, activities were conducted to identify key capacity constraints limiting the efficiency in the provision of energy and monitoring water services. Based on these constraints, recommendations were made to both regulatory bodies for energy (ERE) and water (GDWS) to increase the capacity of both regulatory bodies to better monitor the provision and efficiency of energy and water services.
- Under output #2, remedies to address capacity constraints identified under output #1 were identified, designed and implemented. It includes business plans for KESH (power generator) and OST (power transmitter) that should contribute to strengthen their performance in term of providing better quality supply of electricity to the distributor (Cez) and ultimately to the consumers. It also includes support for the development of a multi-year training programme for staff involved in water services. Finally, the collect of information is being used to develop a methodology to prioritize investments in water supply systems in rural areas.
- Under output #3, a survey to identify citizen’s perceptions on both sectors – energy and water – provides operators in both sectors with factual information on the perception of their services, which will be used by these operators and the government in the privatization and decentralization reform processes.

- Under output #4, an awareness campaign has been developed to raise the awareness of citizens about their rights as consumers, the consumer protection law, advocate for the implementation of the law, and raise awareness on mechanisms in place to protect their rights. The campaign will target all Albanian consumers as well as national and local media who, in turn, will inform every consumer about the urgency of well-educated and vigilant consumers, knowing their rights and contributing to good economic governance in Albania.

156. Outcome #2 was to provide a strong national voice for consumers by strengthening the relevant consumer associations and state bodies. Despite the change of focus under output #6 (*see Section 4.2.1*), the programme contributed to the strengthening of relevant state bodies to protect consumers and also to raise awareness of consumers about consumer rights.

- Under output #5, capacities of state bodies to protect and promote consumer rights were enhanced. Training was delivered to staff involved in consumer protection and support was given to finalize the consumer complaint management system (CCMS). A model contract for water consumers was finalized and is now being implemented throughout Albania by water utilities. It is expected that by 2013, all customers of water utilities will use this new contract that protect consumer rights better. Based on a review of the food and non-food components of the strategy for consumer protection and market surveillance, the Law on market surveillance is being amended to provide a better enabling legal environment for an effective market surveillance system. The information collected under this output will contribute to the introduction of national standards and guidelines for customer services in Albania and improve the client orientation and quality of water services. The training of staff of the Foundation for Conflict Resolution will provide this institution with some capacity to provide the first ever mediation services for consumer disputes in Albania. Furthermore, METE is expected to sign an MOU with this foundation to channel consumer disputes to the foundation.
- Under output #6, the capacities of consumer associations were assessed. Further support to these associations was suspended and resources re-allocated to support a comprehensive public awareness campaign on consumer rights in Albania.

157. Outcome #3 was to promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.

- Under output #7, data has been collected to explore the potential for various policy options to promote pro-poor utility policies to benefit vulnerable groups and people in need living in informal areas. The long-term goal is to set optimal water tariffs to ensure a fair price to customers and at the same time contribute to the financial stability of water utilities. Other actors including the World Bank will use the contribution of the JP in this area within new programmes to support the implementation of the recently adopted water strategy and the implementation of adequate mechanisms to facilitate effective tariff reform.
- Under output #8, planned activities were to establish a dialogue between regulatory entities, public utility providers and residents/businesses in informal areas on the legalization of utility connections. The focus has been on the revision of the licensing rules and the requirements that all operators must abide in order to obtain a license, which will help to ensure that all citizens of Albania receive the same level and quality of service. It should also be mentioned that activities in this area are also a preparation of the coming GIZ support to the review of existing licensing rules.

4.5.2. Replication and Scaling-up

158. Due to the type of activities supported by the JP, most activities are not replicable, nor can they be scaled-

up; there are rather parts of larger on-going programmes. As described in Section 4.2.1, most activities focus on collecting information and supporting specific processes that are part of larger programmes and strategies. From this angle it was an effective joint programme providing resources where they were needed to move the implementation of these larger programmes.

159. For instance, the complaint system – CCMS – was developed by METE with some support from the EU. As this project came to an end in 2010, the JP was asked to participate in the finalization of the system to support the establishment of the Albanian CCMS through the development of the required software, its installation and testing on the platform of METE and the training of people in charge of maintaining the system. After this support, the CCMS was finally launched this past summer (2011) and is now online and available to be used by any citizen to file a complaint. The sustainability of the JP contribution is through the fact that the CCMS do exist now and is offering a system to address formal complaints filed by citizens of Albania.

160. Another example is under output #5, the JP supported the Albanian government with an external and independent opinion on the achievements during the first phase of implementation of the “*Albanian Strategy on Consumer Protection and Market Surveillance 2007-2013*” and an action plan for what remains to be done during the second phase. The JP also supports the drafting of an amendment of the Law on Market Surveillance. This amendment was approved by METE and the Council of Ministers and was submitted to the Parliament for its final approval (2012?) before becoming Law. The JP also supported the drafting of complaints procedures. These procedures were approved by METE and an Order of Minister of METE was issued. The sustainability of this support provided by the JP is through the development of a consumer protection system, including a clear process for consumers to file claims and defend their rights.

161. The final example is the “model” contract for water consumers. The JP supported the development of a model contract to ultimately replace the 30+ existing type of contracts used by the 56 water utilities. A draft was circulated and consultations took place to review this model contract. In February 2011, the National Water Commission approved this model contract. This model contract is now being implemented throughout Albania by water utilities with the support of the water regulatory body (GDWS). It will be in place throughout the country by 2013. It is being scaled-up and licenses for water utility companies will be renewed only if they implemented this model contract. Therefore, the sustainability of the JP contribution to standardize the contract for water consumers is almost guaranteed.

5. CONCLUSION

Relevance of the Economic Governance Joint Programme

Conclusion 1: The “*Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*” JP was very relevant in the context of Albania’s development.

162. It is part of the overall government strategy for national development within the context of implementing the National Strategy for Development and Integration (NSDI) (2007-2013) and the integration into the European Union through the Stabilization and Association Agreement (SAA). It is a direct response to support development initiatives focusing on three sectors: water, energy and consumer protection. Many activities supported by the JP addressed specific needs and contributed to move forward national agendas.

- The energy sector is a priority sector for development in Albania. The national strategy is to develop an energy system based on market principles, to open and liberalize the domestic market and integrate it with the regional and European energy market. The strategies include the reform and restructuring of the sector for an effective institutional and regulatory framework; encourage the efficient use of energy; increase the energy supply; develop nuclear energy; increase the use of renewable energy sources; and

open the domestic electrical energy market and participate actively to the regional energy market within the framework of the South Eastern Europe Energy Community Treaty.

- The strategy for the water sector is to continue the development of the water supply and sanitation sector according to European Union standards, to improve living conditions, conserve the environment, and develop the economy in a sustainable manner. The goal in this sector is that by 2013, the share of the population covered by the following services will be: (a) 95% for water supply; (b) 83% for sewerage; and (c) 45% for wastewater treatment.
- Despite progress made in the field of consumer protection, especially related to legislation, more remains to be done. There is a need for additional protecting rules, particularly in the field of product safety. Consumer information and education need to be strengthened. The representation of consumer interests in civil society needs to grow and finally, effective mechanisms of compensation need to be developed and an appropriate system of market surveillance needs to be established.

Conclusion 2: The JP fell short of fully piloting the One UN approach promoted by the MDG-F.

163. Despite the obvious contribution of the JP toward the One UN programme in Albania, the day-to-day management and administration of the Economic Governance JP falls short of fully piloting the One UN approach promoted by the MDG-F that is “*promoting increased coherence and effectiveness in development interventions through collaboration among UN agencies*”.

164. Considering the “*Deliver as One*” model based on four common elements: *One UN Programme, One Budgetary Framework, One Leader and One Office*, the set-up of this JP is such that it is not piloting the concept of *One Budgetary Framework, One Leader and One Office*. Only two implementing agencies (UNDP and World Bank) are involved in the implementation of the JP and the contractual mechanism in place to administer the resources is a sub-contractual arrangement, where the World Bank is a sub-contractor to UNDP for the implementation of its part. The result is two separate budgetary frameworks, two Leaders and two offices.

Conclusion 3: The relevance of the JP toward the implementation of MDGs in Albania was limited to the water sector and the Albanian-only MDG-9¹⁶ that is to improve the governance for all citizens and especially for the most disadvantaged groups.

165. The review indicates that the relevance of the JP vis-à-vis the implementation of MDGs in Albania, has been more relevant when it supports Albania in achieving its MDG-7 water related targets than when it supports the energy sector in Albania. The development of the energy sector is not an MDG target. It is only through the reduction of emissions that activities in the energy sector may contribute to the achievement of MDGs in Albania. It was also noted that the JP is also relevant toward the achievement of MDG-9 whereby the JP is promoting pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.

Conclusion 4: The design of the JP was weak; there was no stated objective/goal and the three outcomes were not well identified in the joint programme document.

166. The JP was formulated in a short period of time. A concept note was drafted near the end of 2007 and the JP document was approved by the MDG-F Steering Committee in April 2008. Nevertheless, the review of the signed JP document indicates a limited coherence among the various elements of the programme – its rationale,

¹⁶ In 2004, when Albania adapted the MDGs to its context, the government added a ninth goal to establish and strengthen good governance.

its internal logic (components, partners, structure, delivery mechanisms, scope and budget) and its expected results. The JP document lacks information to fully justify its rationale and address questions such as: What are the Energy, Water and Consumer Protection strategies in Albania? What is the position of the national Partners? What is the overall objective of the JP? etc. The main weaknesses of the JP document (design) can be summarized as follows:

- A broad scope covering three critical sectors: water, energy and consumer protection and a short duration (2 years) to implement the JP (too much in too little time?);
- A strategy that is too activity-based. There is not really an overall objective for the JP and no clear expected developmental results;
- The rationale for this JP is not developed enough. It is difficult to understand what the JP is trying to achieve.

167. However, despite these shortcomings the inception phase allowed the JP to address some of these limitations. Furthermore, the JP, despite its design weaknesses was a programme that was very responsive to national priorities and needs for in the implementation of national strategies in three sectors: water, energy and consumer protection. The logic of the JP has to be analyzed through related national strategies and programmes in place in Albania.

Effectiveness of the Economic Governance Joint Programme

Conclusion 5: The JP was effective in responding to national priorities and needs in the water, energy and consumer protection areas.

168. By the end of the programme most planned activities will be completed; the JP will have delivered its rather large set of distinct activities (about 25). Most activities were direct responses to specific needs in larger strategies and programmes under implementation in Albania in the water, energy and consumer protection areas. The programme was flexible enough to adapt to changes of context such as new strategies, institutional changes, etc.

Conclusion 6: The change of focus under output 6 prevented the JP to contribute to the strengthening of consumer protection associations in Albania; opportunities were missed in this area to develop a stronger voice for consumers in Albania.

169. Under *Output #6 - Consumer protection capabilities developed in 6 pilot regions*, the initial plan included the support to consumer associations in 6 regions to develop the capacity of these associations on issues related to unfair terms in utility contracts with users and to redress mechanisms available to consumers. Strengthening consumer associations is part of the consumer protection framework needed to comply with EU *acquis communautaire*.

170. Initial capacity development needs assessments of both existing associations in Albania were conducted in 2010. These assessments state that despite that the Law on consumer protection envisages an ambitious role for Albanian consumer associations there is no tradition to state cooperation with NGOs in Albania. This lack of trust impacts greatly the availability of state funding for associations, including these two consumer associations. However, these assessments indicate that if public financing is weak, donor support should play a role in strengthening this type of association.

171. Following the capacity development needs assessments, the PMC debated the question to support further these associations. The decision to stop any further support was taken and the resources were re-allocated to other activities. It is clear now that opportunities were missed to support the emergence of consumer associations in Albania as an important instrument to protect consumers, to provide them with a stronger voice and to comply

with the EU *acquiscommunautaires*.

Efficiency of the Economic Governance Joint Programme

Conclusion 7: There is a strong national ownership of the JP that contributed to the effective implementation of the programme.

172. National partners are much involved in the implementation of the programme. The implementation of the JP was monitored by the PMC on an on-going basis, annual work plans were approved by the PMC and endorsed by the NSC and any other decisions related to the JP were made by the PMC. The fact that two Deputy Ministers have been active members of the PMC is an indication of the strong interest of national partners in the JP.

173. One driver for developing a good country ownership is the existence in Albania of a *Department of Strategy and Donors Coordination* located within the Council of Ministers. This is a high level body in charge of coordinating national strategies – including sectoral strategies - and external aid. Line ministries are fully engaged into this process and donors coordinate their support through this mechanism. The Head of this Department is a member of the NSC facilitating the coordination of JP objectives with relevant sectoral strategies in Albania.

Conclusion 8: The flexibility of the JP was much appreciated by stakeholders and allowed to adapt to changes of national priorities and needs.

174. Adaptive management has been used regularly to adapt to a constantly changing environment; particularly to commit project resources when there is a need and not only to meet a disbursement schedule. As a result, services delivered are of good quality and each assignment is conducted on an as needed basis. This approach is particularly important in the context of Albania where there is a good donor coordination approach; particularly in the water and energy sectors.

175. Flexibility and adaptability was recognized by some stakeholders during the interviews conducted by the Evaluation Team. In addition to being flexible, stakeholders like the fact that it was a concrete programme with a set of clear activities that delivered concrete results that were integrated into larger strategies and programmes and contributed to improving systems to deliver better water and electricity services to consumers.

Conclusion 9: The monitoring system in place did not fulfill its intent that was to provide information on how well the JP was progressing toward the achievement of its expected results.

176. The monitoring process did not fulfill its intent; the review indicates that information contained in few progress reports does not provide the “*big picture*” of the reality on the ground. The system “*monitors the trees but not the forest*”. The review indicates that this information gap is partly due to the reporting process that is mostly monitoring the implementation of activities as opposed to progress made toward higher level achievements.

177. The final Programme Monitoring Framework (PMF) contains a list of 24 indicators with their related baseline, means of verification, methods of data collection and responsibility centers. This is the main instrument that was used to measure the progress made by the JP. However, the review of these indicators raises three main issues:

- *Type of indicator*: The indicators are too focused on monitoring the implementation of activities. For instance, the indicator 3.1 - *Methodology to conduct surveys of citizens’ perceptions of electricity and water services developed with the relevant central and local authorities and implemented nationally* is

basically tracking activity 3.1 that is to design and implement a national survey on citizens’ perceptions of the quality of electricity and water services.

- *No indicators are tracking progress in achieving JP outcomes*
- *Number of indicators:* For a project of this size, tracking 24 indicators is complex, costly and run the risk that it will not be done accurately and timely.

178. All these indicators are not tracking developmental results but mostly the degree of completion of activities. Therefore the PMF does not really provide information on how well the JP is progressing in achieving its 3 outcomes. It is also to be noted that due to a weak formulation of the strategy of the JP, it would be difficult to identify a proper set of indicators to measure the progress made at the developmental level.

179. The Evaluation Team also noted that the Management Team is also producing another set of progress reports – *Progress and Expenditure Reports* - mostly for PMC and NSC meetings. These reports are user-friendlier and present a narrative on each activity under implementation, accompanied by an updated work plan at the time of each meeting. It was noted that through these reports and regular meetings, PMC members were able to closely monitor the progress made by the JP; though with a focus mostly on implementation of activities.

Impact and long-term sustainability of the Economic Governance Joint Programme

Conclusion 10: The deliverables produced by the JP will have a long-term positive impact on the implementation of better water and electricity supply systems and also on improving the consumer protection system in Albania.

180. This is a programme with a broad scope – intervening in three critical sectors – a limited duration – two years – and a strategy that is activity-based without an overall objective to achieve. Nevertheless, The implementation of the programme is done in such a way that the impact and the long-term sustainability of JP achievements should be ensured over the long run. They are part of larger strategies and programmes and the uptake of most deliverables will be through follow up activities funded by other national and international funded programmes. They should contribute to the implementation of better water and electricity supply systems in Albania and also on improving the consumer protection system in the country.

181. Few critical factors are contributing to the potential for the long term impact and sustainability of JP achievements:

- Activities implemented by the JP are not isolated activities; there are part of larger strategies and programmes that are coordinated by national partners with support from other donors. When a survey or a capacity assessment or a study was supported by the JP, the results were almost “automatically” feeding the next phase of the particular process such as drafting an amendment to a law, establishing a training programme, or identifying a strategy or programme.
- National partners were much engaged and the JP benefited from a strong national ownership where national partners were central to guide and direct the programme; particularly under the PMC chaired by the Deputy Minister of Water as the main decision-making body for the JP. Work plans were discussed and approved at the PMC level and activities and their timing were reviewed by members to ensure an effective contribution of the JP to national priorities.
- The flexibility of the MDG-F initiative provided a JP with good in-country flexibility that was responsive and address national priorities and national needs. The financial resources of the JP were used to support activities for on-going strategies and programmes, which will carry on after the end of the JP.

6. LESSONS LEARNED

182. Based on the review of project documents, interviews and meetings with key informants, and the analysis of this information, the Evaluation Team collated several lessons learned.

- A high-level body reporting to the central government and coordinating all national strategies – including sectoral strategies – and external aid is a very effective government mechanism to maximize national/country ownership of programmes and projects. It is particularly effective when line ministries are fully engaged into this process and donors coordinate their support through this mechanism.
- Two agencies with very different management procedures and decision-making processes cannot work efficiently without harmonizing their systems.
- Any programme/project needs a clear strategy with a well-defined objective and outcomes to guide the implementation of the programme/project. A well-formulated design with clear expected developmental results becomes a “benchmark” against which proposed changes can be assessed and progress can be monitored through performance indicators measuring the progress in achieving these expected developmental results.
- This type of joint programme needs an explicit inception phase with clear guidelines to review the design and adapt/update the programme to new realities. It should be finalized with an inception workshop and documented in an inception report that should be part of the design documents and become the new “blueprint” for the implementation of the joint programme.
- Flexibility is one critical success factor for this type of programme. Once the strategy of the joint programme is approved, the planning of activities should be kept flexible to adapt to national priorities and needs. It is only with a flexible approach that a programme of this nature can be fully responsive to national priorities and needs.

7. RECOMMENDATIONS

183. Based on the findings of this final evaluation, the following recommendations are suggested; including recommendations for the JP and for the overall MDG-F initiative. They are in no particular order.

Recommendations for the Economic Governance Joint Programme

Recommendation #1

It is recommended to extend the joint programme by five months as per the request formulated by the JP Management Team and approved by the PMC and the NSC.

Issue to Address

The request for a no-cost extension of the JP was packaged into a document titled “Sustainable Strategy”, which could also be called an exit strategy. From a management perspective, it is somewhat late to request an extension when the programme is supposed to close in a few weeks. However, this extension is about finalizing activities that are supported by the JP and a clear plan of activities to be conducted/finalized during this extended period are part of the request. The remaining budget is also allocated to these activities with no extra budgetary resources requested. The CTA will terminate his 2-year contract in January 2012 as planned and a “leaner” management team will ensure the management functions until the closure of the programme. The Evaluation Team supports this no-cost extension to give more time to the implementation team to finalize adequately on-going activities with the remaining resources.

Recommendation #2

It is recommended to package and make the information produced with the support of the JP available to the public through a web site.

Issue to Address

The JP has supported numerous studies, assessments, surveys and other information products. In some cases, the visibility of these information products is low and is only known by a few stakeholders. However, most of these products are valuable information products and the JP Management Team needs to make these products available to the public through a web site. If possible, this web site should be hosted by one of the key counterpart organizations such as METE (?) to ensure continued access to this information over the long run.

Recommendations for the MDG-F Initiative

Recommendation #3

It is recommended to conduct country-based evaluations in countries, which benefited from multiple joint programmes funded by the MDG-F to assess impacts of these JPs at country level.

Issue to Address

This is the fourth MDG-F funded joint programme evaluation conducted by the Senior Evaluator. These joint programmes provide flexible programmes that are very responsive to national priorities and needs. Stakeholders are also much engaged and these programmes enjoy strong national ownership. As a result, the prognostic for the long-term impact and sustainability of these programmes is good. An evaluation at the country level when a few joint programmes are implemented – such as the case in Albania with 4 joint programmes – would explore the overall impact of such programmes and assess the effectiveness of these joint programmes as one initiative.

Recommendation #4

It is recommended to formalize an inception phase at the start-up of these joint programmes and document it in an inception report that should become part of the design documents.

Issue to Address

An inception phase should be formally part of the implementation of these joint programmes to review and update the design that was approved. The objective of this inception phase should be to review the strategy of the joint programme (objective(s), outcomes and outputs); the performance monitoring framework (how to measure progress); the technical assistance to be used by the joint programme; the management arrangements; the coordination mechanisms and participation of stakeholders; the review of risks and mitigation measures; and, finally the formulation of the first year work plan and its related budget.

This inception phase, which should last no more than 3-4 months, should be concluded with an inception workshop to review the output of the inception phase including the proposed changes to the design (given that high level results cannot be changed without an extensive and lengthy approval process). Finally, an inception report should be mandatory and document this phase and the possible recommended changes. This report should become part of the “official” project design documents.

Recommendation #5

It is recommended to strengthen the formulation stage for these joint programmes with stronger guidelines. These guidelines should include the need to review the legislative, policy and institutional frameworks, identify national priorities, existing barriers, rationale for the programme, proposed strategy/set of expected results, management arrangements, budget, stakeholder involvement, risks management, long-term sustainability and performance measurement framework (including indicators to monitor expected developmental results).

Issue to Address

A JP document should include all the information to explain why this programme (rationale) and how it will address existing barriers and national priorities. Experience shows that good formulation leads often to good implementation and sustainable achievements. Additionally, the involvement of national stakeholders at the formulation stage is an important factor for the future success of any programme or project.

Recommendation #6

It is recommended to review management modalities among UN agencies to manage/coordinate joint programmes and explore how these modalities could be better harmonized among UN agencies.

Issue to Address

It is a lesson learned from implementing these joint programmes. Each UN agency (including the World Bank) has its own set of rules and procedures to implement programmes and projects. When it comes to working together, these differences are exacerbated and it makes the implementation of these joint programmes difficult; preventing – as in the case of the EG JP – the piloting of the One UN concept. Applying the “One UN” concept necessitates the harmonization of these rules and procedures to maximize the implementation effectiveness and efficiency of this type of joint programme.

Annexes

Annex 1: Terms of Reference (TORs)

FINAL EVALUATION OF THE JOINT UN PROGRAMME ON ECONOMIC GOVERNANCE, REGULATORY REFORM AND PRO-POOR DEVELOPMENT IN ALBANIA

TERMS OF REFERENCE

General Context: the MDG-F

In December 2006, the UNDP and the Government of Spain signed a major partnership agreement for the amount of €528 million with the aim of contributing to progress on the MDGs and other development goals through the United Nations System. In addition, on 24 September 2008 Spain pledged €90 million towards the launch of a thematic window on Childhood and Nutrition. The MDG-F support joint programmes that seek replication of successful pilot experiences and impact in shaping public policies and improving peoples’ life in 49 countries by accelerating progress towards the Millennium Development Goals and other key development goals.

The MDG-F operates through the UN teams in each country, promoting increased coherence and effectiveness in development interventions through collaboration among UN agencies. The Fund uses a joint programme mode of intervention and has currently approved 128 joint programmes in 49 countries. These reflect eight thematic windows that contribute in various ways towards progress on the MDGs, National Ownership and UN reform.

The MDG-F M&E Strategy

A result oriented monitoring and evaluation strategy is under implementation in order to track and measure the overall impact of this historic contribution to the MDGs and to multilateralism. The MDG-F M&E strategy is based on the principles and standards of UNEG and OECD/DAC regarding evaluation quality and independence. The strategy builds on the information needs and interests of the different stakeholders while pursuing a balance between their accountability and learning purposes.

The strategy’s main objectives are:

1. To support joint programmes to attain development results;
2. To determine the worth and merit of joint programmes and measure their contribution to the 3 MDG-F objectives, MDGS, Paris Declaration and Delivering as one; and
3. To obtain and compile evidence based knowledge and lessons learned to scale up and replicate successful development interventions.
4. Under the MDG-F M&E strategy and Programme Implementation Guidelines, each programme team is responsible for designing an M&E system, establishing baselines for (quantitative and qualitative) indicators.

The Albanian socio-economic context

Since the initiation of political and economic reforms in 1990 Albania has made significant progress in the establishment of a democracy and market economy. After a period of political turmoil in the late 1990s, the country enjoyed strong economic growth throughout the first decade of the 21st century. This rapid growth was accompanied by considerable social progress and a positive tracking towards the achievement of a number of MDG targets in such areas as combating extreme poverty and gender inequalities, improving some aspects of health and expanding access to safe drinking water and sanitation. However considerable challenges remain,

such as a persistently high level of unemployment, less children enrolled in basic education, considerable disparities between urban and rural areas, among regions and for certain disadvantaged groups.

Albania has made significant progress in its preparation for European Union (EU) accession in terms of meeting political criteria and establishing stable institutions that guarantee democracy, rule of law, human rights, protection of minorities and regional cooperation. Albania is also noted to have made progress in meeting criteria and related standards to approximate its legislation with the *acquis communautaire* in line with the Stabilization and Association Agreement (SAA) and European Partnership priorities. However, the passing of new laws needs to be accompanied or followed by measures that effectively build institutional capacity to enforce legislation and standards.

The joint UN programme on economic governance, regulatory reform and pro-poor development in Albania

Ensuring the effective management, regulation and monitoring of key public utility sectors such as electricity and water is central to Albania’s prospects for achieving the MDGs. Strengthening the voice of consumers to promote and protect their rights and encourage accessible and affordable electricity and water services is also essential to meet the requirements for accession to the European Union (EU). The Economic Governance, Regulatory Reform and Pro-Poor Development programme helps national stakeholders to develop the individual and institutional capacity required to meet these challenges.

The programme is implemented jointly by the World Bank and UNDP in partnership with the Ministry of Economy, Trade and Energy (METE) and the Ministry of Public Work and Transport (MPWT) as well as other national partners such as the Energy Regulatory Entity, the Water Regulatory Authority, the Durres water utility and consumer associations. It is funded by the Government of Spain through the MDG Achievement Fund and has a budget of 2 million US Dollars. The programme was approved for funding as a two year programme. The official starting date was September 2009 (the date of signature of the agreement with the World Bank for implementation of the Joint Programme). However, the implementation of activities only started in late January 2010.

Because of the delay in the initiation of activities, the programme was granted by the MDG-F Secretariat a six months no-cost extension, until 20 January 2012. In order to ensure the completion of all the activities and proper closure, the Programme Management Committee (PMC) at its meeting of 7 September 2011 approved a further no-cost extension of approximately three months, until 30 April 2012. The programme has now delivered most of its outputs and it is implementing its last activities.

The programme is expected to achieve the following three outcomes which correspond to the three components of the programme:

1. Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery;
2. Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies;
3. Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.

These outcomes are linked to the priorities of the MDG Achievement Fund and Albania’s One UN Programme/UNDAF Outcomes. The objectives of the programme are fully in line with government priorities as reflected in various government strategic documents. Activities related to water are directly contributing to MDG No.7 - Ensuring Environmental Sustainability. The programme is essentially a governance programme

dealing with institutional strengthening and with the interaction between public institutions and citizens. As such, it contributes to the achievement of the good governance objectives of the Millennium Declaration.

The focus of the programme is more at the central level, although some activities target local institutions and actors. The direct targeted beneficiaries are essentially the state institutions and the indirect beneficiaries are the citizens that benefit from the services of these institutions. The original programme design had a component targeting the consumer associations, which has been only partly implemented. Component 1 is essentially led by the WorldBank but some governance-related activities under this component are supported by UNDP. Component 2 is exclusively led by UNDP. Component 3 is led by the WB but one of its activities related to illegal connection in informal settlements is supported by UNDP.

The programme document was formulated back in 2008. The Chief Technical Adviser (CTA) of the programme who came on board at the end of January 2010 had to update the activities of the programme i.e. de facto almost prepare an inception report. In two years, the country context had changed significantly and this inception phase involved a re-shaping of the programme document. However the initial outcomes and outputs were not changed since they remained relevant. The Updated Activities, Work Plan and Budget document which was prepared by the CTA during the inception phase was approved by the PMC at its meeting of 15 April 2010. This is the document which guided the implementation of the EG programme.

However, several changes to the updated activities of the EG programme had to be made in the course of implementation in order to ensure that it remains relevant to a rapidly evolving environment. These changes concerned both to the World Bank and UNDP led components. All these changes were discussed and approved during the PMC meetings of the programme.

1. OVERALL GOAL OF THE EVALUATION

Final evaluations are **summative** in nature and seek to:

1. Measure to what extent the joint programme has fully implemented their activities, delivered outputs and attained outcomes and specifically measuring development results.
2. Generate substantive evidence based knowledge, on one or more of the MDG-F thematic windows by identifying best practices and lessons learned that could be useful to other development interventions at national(scale up) and international level (replicability).

As a result, the findings, conclusions and recommendations generated by these evaluations will be part of the thematic window Meta evaluation, the Secretariat is undertaking to synthesize the overall impact of the fund at national and international level.

2. SCOPE OF THE EVALUATION AND SPECIFIC OBJECTIVES

The final evaluation will focus on measuring development results and potential impacts generated by the **joint programme**, based on the scope and criteria included in these terms of reference. This will enable conclusions and recommendations for the joint programme to be formed within a period of one month. **The unit of analysis or object of study for this evaluation is the joint programme**, understood to be the set of components, outcomes, outputs, activities and inputs that were detailed in the joint programme document and in associated modifications made during implementation.

This final evaluation has the following **specific objectives**:

1. Measure to what extent the joint programme has contributed to solve the needs and problems identified in the design phase and/or the inception phase.
2. To measure joint programme’s degree of implementation, efficiency and quality delivered on outputs and outcomes, against what was originally planned or subsequently officially revised.
3. Measure to what extent the joint programme has attained development results to the targeted population, beneficiaries, participants whether individuals, communities, institutions, etc.
4. To measure the joint programme contribution to the objectives set in their respective specific thematic windows as well as the overall MDG fund objectives at local and national level (**MDGs, Paris Declaration and Accra Principles and UN reform**).
5. To identify and document substantive lessons learned and good practices on the specific topics of the thematic window, MDGs, Paris Declaration, Accra Principles and UN reform with the aim to support the sustainability of the joint programme or some of its components.

3. EVALUATION QUESTIONS, LEVELS OF ANALYSIS AND EVALUATION CRITERIA

The evaluation questions define the information that must be generated as a result of the evaluation process. The questions are grouped according to the criteria to be used in assessing and answering them. These criteria are, in turn, grouped according to the three levels of the programme.

Design level

Relevance: Extent to which the objectives of a development intervention are consistent with the needs and interest of the people, the needs of the country and the Millennium Development Goals.

- a) How much and in what ways did the joint programme contributed to solve the (socio-economical) needs and problems identified in the design phase?
- b) To what extent this programme was designed, implemented, monitored and evaluated jointly? (see MDG-F joint programme guidelines and final evaluation guidelines)
- c) To what extent the joint programming was the best option to respond to development challenges stated in the programme document?
- d) To what extent the implementing partners participating in the joint programme had an added value to solve the development challenges stated in the programme document?
- e) To what extent did the joint programme have a useful and reliable M&E strategy that contributed to measure development results?
- f) To what extent did the joint programme have a useful and reliable C&A strategy?
- g) If the programme was revised, did it reflect the changes that were needed?

Process level

Efficiency: Extent to which resources/inputs (funds, time, human resources, etc.) have been turned into results.

- a) To what extent did the joint programme’s management model (i.e. instruments; economic, human and technical resources; organizational structure; information flows; decision-making in management) was efficient in comparison to the development results attained?
- b) To what extent was the implementation of the joint programme intervention (group of agencies) more efficient in comparison to what could have been through a single agency’s intervention?
- c) To what extent the governance of the fund at programme level (PMC) and at national level (NSC) contributed to efficiency and effectiveness of the joint programme? To what extent these governance structures were useful for development purposes, ownership, for working together as one? Did they enable management and delivery of outputs and results?
- d) To what extent and in what ways did the joint programme increase or reduce efficiency in delivering outputs and attaining outcomes?

- e) What type of work methodologies, financial instruments, business practices have the implementing partners used to increase efficiency in delivering as one?
- f) What type of (administrative, financial and managerial) obstacles did the joint programme face and to what extent have this affected its efficiency?
- g) To what extent and in what ways did the evaluation have an impact on the joint programme? Was it useful? Did the joint programme implement the improvement plan?

Ownership in the process: Effective exercise of leadership by the country’s national/local partners in development interventions.

- a) To what extent did the targeted population, citizens, participants, local and national authorities made the programme their own, taking an active role in it? What modes of participation (leadership) have driven the process?
- b) To what extent and in what ways has ownership or the lack of it, impacted in the efficiency and effectiveness of the joint programme?

Results level

Effectiveness: Extent to which the objectives of the development intervention have been achieved.

- a) To what extent did the joint programme contribute to the attainment of the development outputs and outcomes initially expected /stipulated in the programme document?
 - 1. To what extent and in what ways did the joint programme contribute to the Millennium Development Goals at the local and national levels?
 - 2. To what extent and in what ways did the joint programme contribute to the goals set in the thematic window?
 - 3. To what extent (policy, budgets, design, and implementation) and in what ways did the joint programme contribute to improve the implementation of the principles of the Paris Declaration and Accra Agenda for Action?
 - 4. To what extent and in what ways did the joint programme contribute to the goals of delivering as one at country level?
- b) To what extent were joint programme’s outputs and outcomes synergistic and coherent to produce development results? `What kinds of results were reached?
- c) To what extent did the joint programme have an impact on the targeted citizens?
- d) Have any good practices, success stories, lessons learned or transferable examples been identified? Please describe and document them
- e) What types of differentiated effects are resulting from the joint programme in accordance with the sex, race, ethnic group, rural or urban setting of the beneficiary population, and to what extent?
- f) To what extent has the joint programme contributed to the advancement and the progress of fostering national ownership processes and outcomes (the design and implementation of National Development Plans, Public Policies, UNDAF, etc.)
- g) To what extent did the joint programme help to increase stakeholder/citizen dialogue and or engagement on development issues and policies?

Sustainability: Probability of the benefits of the intervention continuing in the long term.

- a) To what extent the joint programme decision making bodies and implementing partners have undertaken the necessary decisions and course of actions to ensure the sustainability of the effects of the joint programme?

At local and national level:

- i. To what extent did national and/or local institutions support the joint programme?
- ii. Did these institutions show technical capacity and leadership commitment to keep working with the programme or to scale it up?

- iii. Have operating capacities been created and/or reinforced in national partners?
 - iv. Did the partners have sufficient financial capacity to keep up the benefits produced by the programme?
- b) To what extent will the joint programme be replicable or scaled up at national or local levels?
- c) To what extent did the joint programme align itself with the National Development Strategies and/or the UNDAF?

4. METHODOLOGICAL APPROACH

The methodology and techniques to be used in the evaluation should be described in detail in the desk study report and the final evaluation report, and should contain, at minimum, information on the instruments used for data collection and analysis, whether these be documents, interviews, field visits, questionnaires or participatory techniques.

5. EVALUATION DELIVERABLES

The consultant is responsible for submitting the following deliverables to the Secretariat of the MDGF:

⌘ **Inception Report**(to be submitted within fifteen days of the submission of all programme documentation to the consultant)

This report will be 10 to 15 pages in length and will propose the methods, sources and procedures to be used for data collection. It will also include a proposed timeline of activities and submission of deliverables. The desk study report will propose initial lines of inquiry about the joint programme this report will be used as an initial point of agreement and understanding between the consultant and the evaluation managers. The structure and minimum content of the inception report is given in Annex I.

⌘ **Draft Final Report**(to be submitted within 15 days of completion of the field visit)

The draft final report will contain the same sections as the final report (described in the next paragraph) and will be 20 to 30 pages in length. This report will be shared among the evaluation reference group. It will also contain an executive report of no more than 5 pages that includes a brief description of the joint programme, its context and current situation, the purpose of the evaluation, its methodology and its main findings, conclusions and recommendations. The final report will be shared with evaluation reference group to seek their comments and suggestions. This report will contain the same sections as the final report, described in Annex I.

⌘ **Final Evaluation Report**(to be submitted within ten days of receipt of the draft final report with comments)

The final report will be 20 to 30 pages in length. It will also contain an executive report of no more than 5 pages that includes a brief description of the joint programme, its context and current situation, the purpose of the evaluation, its methodology and its major findings, conclusions and recommendations. The final report will be sent to the evaluation reference group. The structure and minimum content of the final report is given in TORs - Annex I.

6. ROLES OF ACTORS IN THE EVALUATION

The main actors in the evaluation process are the MDGF Secretariat, the management team of the joint programme and the Programme Management Committee that could be expanded to accommodate additional

relevant stakeholders. This group of institutions and individuals will serve as the evaluation reference group. The role of the evaluation reference group will extend to all phases of the evaluation, including:

- Facilitating the participation of those involved in the evaluation design.
- Identifying information needs, defining objectives and delimiting the scope of the evaluation.
- Providing input on the evaluation planning documents, (Work Plan and Communication, Dissemination and Improvement Plan).
- Providing input and participating in the drafting of the Terms of Reference.
- Facilitating the evaluation team’s access to all information and documentation relevant to the intervention, as well as to key actors and informants who should participate in interviews, focus groups or other information-gathering methods.
- Monitoring the quality of the process and the documents and reports that are generated, so as to enrich these with their input and ensure that they address their interests and needs for information about the intervention.
- Disseminating the results of the evaluation, especially among the organizations and entities within their interest group.

The MDGF Secretariat shall promote and manage Joint Programme evaluation in its role as commissioner of the evaluation, fulfilling the mandate to conduct and finance the joint programme evaluation. As manager of the evaluation, the Secretariat will be responsible for ensuring that the evaluation process is conducted as stipulated, promoting and leading the evaluation design; coordinating and monitoring progress and development in the evaluation study and the quality of the process.

7. ETHICAL PRINCIPLES AND PREMISES OF THE EVALUATION

The evaluation of the joint programme is to be carried out according to ethical principles and standards established by the United Nations Evaluation Group (UNEG).

- **Anonymity and confidentiality.** The evaluation must respect the rights of individuals who provide information, ensuring their anonymity and confidentiality.
- **Responsibility.** The report must mention any dispute or difference of opinion that may have arisen among the consultants or between the consultant and the heads of the Joint Programme in connection with the findings and/or recommendations. The team must corroborate all assertions, or disagreement with them noted.
- **Integrity.** The evaluator will be responsible for highlighting issues not specifically mentioned in the TOR, if this is needed to obtain a more complete analysis of the intervention.
- **Independence.** The consultant should ensure his or her independence from the intervention under review, and he or she must not be associated with its management or any element thereof.
- **Incidents.** If problems arise during the fieldwork, or at any other stage of the evaluation, they must be reported immediately to the Secretariat of the MDGF. If this is not done, the existence of such problems may in no case be used to justify the failure to obtain the results stipulated by the Secretariat of the MDGF in these terms of reference.
- **Validation of information.** The consultant will be responsible for ensuring the accuracy of the information collected while preparing the reports and will be ultimately responsible for the information presented in the evaluation report.
- **Intellectual property.** In handling information sources, the consultant shall respect the intellectual property rights of the institutions and communities that are under review.

- **Delivery of reports.** If delivery of the reports is delayed, or in the event that the quality of the reports delivered is clearly lower than what was agreed, the penalties stipulated in these terms of reference will be applicable.

TORs - ANNEX I – Structure and minimum content of inception and evaluation report

I. Outline of the inception report

0. Introduction
1. Background to the evaluation: objectives and overall approach
2. Identification of main units and dimensions for analysis and possible areas for research
3. Main substantive and financial achievements of the joint programme
4. Methodology for the compilation and analysis of the information
5. Criteria to define the mission agenda, including “field visits”

II. Outline of the draft and final evaluation reports

1. Cover Page
2. Introduction
 - Background, goal and methodological approach
 - Purpose of the evaluation
 - Methodology used in the evaluation
 - Constraints and limitations on the study conducted
3. Description of interventions carried out
 - Initial concept
 - Detailed description of its development: description of the hypothesis of change in the programme.
4. Levels of Analysis: Evaluation criteria and questions
5. Conclusions and lessons learned (prioritized, structured and clear)
6. Recommendations
7. Annexes

TORs - ANNEX II – Documents to be reviewed

These shall include, as a minimum:

MDG-F Context

- MDGF Framework Document
- Summary of the M&E frameworks and common indicators
- General thematic indicators
- M&E strategy
- Communication and Advocacy Strategy
- MDG-F Joint Implementation Guidelines

Specific Joint Programme Documents

- Joint Programme Document: results framework and monitoring and evaluation framework
- Mission reports from the Secretariat
- Quarterly reports
- Mini-monitoring reports
- Biannual monitoring reports
- Annual reports
- Annual work plan
- Financial information (MDTF)

Other in-country documents or information

- Evaluations, assessments or internal reports conducted by the joint programme
- Relevant documents or reports on the Millennium Development Goals at the local and national levels
- Relevant documents or reports on the implementation of the Paris Declaration and the Accra Agenda for Action in the country
- Relevant documents or reports on One UN, Delivering as One

Annex 2: Evaluation Matrix

The evaluation matrix below served as a general guide for the evaluation. It provided directions for the evaluation; particularly the collect of relevant data. It was used as a basis for interviewing people and reviewing programme documents. It also provided a basis for structuring the evaluation report as a whole.

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
Evaluation criteria: Relevance - How does the JP relate to the needs of Albania, the MDGs and the policies and strategies of the programmes’ partners and donors?				
<i>Was the JP relevant to MDG implementation at local and national level in Albania?</i>	<ul style="list-style-type: none"> How did the programme support the objectives of the MDGs Did the programme participate in the implementation of the MDGs in Albania? 	<ul style="list-style-type: none"> Level of coherence between programme objectives and the MDGs Degree of coherence between the programme and national priorities, policies and strategies in the public utility sector MDGs status in Albania 	<ul style="list-style-type: none"> Programme documents National policies and strategies to implement the MDGs or related to environment more generally Key government officials and other partners MDG web site 	<ul style="list-style-type: none"> Documents analyses Interviews with government officials and other partners
<i>Was the JP relevant to UN objectives in Albania?</i>	<ul style="list-style-type: none"> How did the programme support the objectives of the UN organizations – including the UNDAF 2008-12 - in Albania? To what extent and in which ways was the joint programme helping make progress towards United Nations reform (One UN)? How were the principles for aid effectiveness (ownership, alignment, managing for development results and mutual accountability) developed in the joint programmes? 	<ul style="list-style-type: none"> Existence of a clear relationship between the programme objectives and sustainable development objectives of UN organizations including those in UNDAF 2008-12 Principles on aid effectiveness 	<ul style="list-style-type: none"> Programme documents UNDAF 2008-12 and other UN strategies and programmes National policies and strategies to implement the MDGs or related to the public utility sector Key government officials and other partners Related web sites 	<ul style="list-style-type: none"> Documents analyses Interviews with government officials and other partners
<i>Did the JP contribute to goals of the thematic window?</i>	<ul style="list-style-type: none"> To what extent was the programme contributing to the goals set by the thematic window, and in what ways? 	<ul style="list-style-type: none"> Degree of coherence between the JP objectives and the goals of the environmental sustainability thematic window 	<ul style="list-style-type: none"> MDG-F web site JP document Other programme documents 	<ul style="list-style-type: none"> Documents analyses Interviews with government officials and other partners
<i>Was the JP relevant to Albania development objectives?</i>	<ul style="list-style-type: none"> To what extent did the JP’s goals and lines of action reflect national and regional plans and programmes, identified needs (water, human health and food security) and the operational context of national policies in Albania? How did the programme support the objectives of the development of Albania? 	<ul style="list-style-type: none"> Degree to which the programme support national objectives related to the National Strategy for Development and Integration Degree of coherence between the programme and national priorities, policies and strategies 	<ul style="list-style-type: none"> Programme documents National strategy for development and other related strategies including PRSP Key government officials and 	<ul style="list-style-type: none"> Documents analyses Interviews with government officials and other partners

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
	<ul style="list-style-type: none"> ▪ How country-driven was the programme? ▪ Did the programme adequately take into account the national realities, both in terms of institutional framework and programming, in its design and its implementation? ▪ To what extent were national partners involved in the design of the joint programme? ▪ Did the JP address the problem’s most salient, urgent and prioritized causes? 	<ul style="list-style-type: none"> ▪ Appreciation from national stakeholders with respect to adequacy of programme design and implementation to national realities and existing capacities? ▪ Level of involvement of Government officials and other partners into the joint programme ▪ Coherence between needs expressed by national stakeholders and criteria contains in the MDG-F thematic window and in the JP 	<ul style="list-style-type: none"> ▪ other partners ▪ MDG-F web site ▪ JP document 	
<i>Was the JP addressing the needs of target beneficiaries?</i>	<ul style="list-style-type: none"> ▪ How did the programme support the needs of target beneficiaries? ▪ Did it address the health, environmental and socio-economic needs of the population in the areas of involvement? ▪ Was the implementation of the programme inclusive of all relevant stakeholders? ▪ Were local beneficiaries and stakeholders adequately involved in programme design and implementation? 	<ul style="list-style-type: none"> ▪ Strength of the link between expected results from the programme and the needs of target beneficiaries ▪ Degree of involvement and inclusiveness of beneficiaries and stakeholders in programme design and implementation 	<ul style="list-style-type: none"> ▪ Beneficiaries and stakeholders ▪ Needs assessment studies ▪ Programme documents 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews with beneficiaries and stakeholders
<i>Was the JP internally coherent in its design?</i>	<ul style="list-style-type: none"> ▪ Was there a direct and strong link between expected results and the programme design (in terms of components, choice of partners, structure, delivery mechanism, scope, budget, use of resources etc)? ▪ Was the length of the programme conducive to achieve programme outcomes? ▪ Was the strategy adapted to the socio-cultural context to which it is applied? ▪ If the programme was revised, did it reflect the changes that were needed? ▪ Was the identification of the problem and its causes in the joint programme being addressed? ▪ To what extent the joint programming was the best option to respond to development challenges stated in the programme document? 	<ul style="list-style-type: none"> ▪ Level of coherence between programme expected results and programme design internal logic ▪ Level of coherence between programme design and programme implementation approach 	<ul style="list-style-type: none"> ▪ Programme documents ▪ Key programme stakeholders 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Key Interviews
<i>How was the JP relevant in light of related initiatives in Albania?</i>	<ul style="list-style-type: none"> ▪ Considering other related on-going initiatives in Albania, did the programme remain relevant in terms of areas of focus and targeting of key activities? ▪ How did the JP help to fill gaps (or give additional stimulus) that are crucial but are not covered by other initiatives funded by the government of Albania and other donors? 	<ul style="list-style-type: none"> ▪ Degree to which program was coherent and complementary to other government and donor programming in Albania and regionally ▪ List of programs and funds in which the future development, ideas and partnerships of the programme are eligible? 	<ul style="list-style-type: none"> ▪ Government and other donors’ policies and programming documents ▪ Government and other donor representatives ▪ Programme documents 	<ul style="list-style-type: none"> ▪ Documents analyses ▪ Interviews with government officials and other donors

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
Lessons Learned	<ul style="list-style-type: none"> ▪ What lessons have been learnt and what changes could have been made to the programme in order to strengthen the alignment between the programme and the Partners’ priorities and areas of focus? ▪ How could the programme have better targeted and addressed priorities and development challenges of targeted beneficiaries? 		<ul style="list-style-type: none"> ▪ Data collected throughout evaluation 	<ul style="list-style-type: none"> ▪ Data analysis
Evaluation criteria: Effectiveness – To what extent are the expected outcomes of the JP being achieved?				
<i>How was the JP effective in achieving its expected outcomes?</i>	<ul style="list-style-type: none"> ▪ What kinds of results were reached? Did the programme achieve its expected outcomes? <ul style="list-style-type: none"> ○ Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery; ○ Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies; ○ Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas. ▪ But also contributed to: <ul style="list-style-type: none"> ○ MDGs at the local and national levels? ○ Goals set in the thematic window? ○ Improve the implementation of the principles of the Paris Declaration and Accra Agenda for Action? ○ Goals of delivering as one at country level? ▪ To what extent were joint programme’s outputs and outcomes synergistic and coherent to produce development results? ▪ To what extent had the JP contributed to putting public utility sector challenges on the country’s policy agenda? ▪ How much and in what ways did the joint programme contribute to solve the (socio-economical) needs and problems of stakeholders identified in the design phase? ▪ Were the identification of barriers characterizing the energy and water infrastructure in Albania addressed? <ul style="list-style-type: none"> ○ Operational inefficiencies ○ Weak regulatory environment ○ Poor service quality 	<ul style="list-style-type: none"> ▪ Adaptation strategies through alternatives economic development activities ▪ Change in management, regulation and monitoring practices of the public utility sector ▪ Change in capacity for information management: Knowledge acquisition and sharing; Effective data gathering, methods and procedures for reporting ▪ Change in capacity for awareness raising <ul style="list-style-type: none"> ○ Stakeholder involvement and government awareness ○ Change in local stakeholder behavior ▪ Change in capacity in policy making and planning <ul style="list-style-type: none"> ○ Policy reform for public utility sector ○ Legislation/regulation change to improve public utility sector ○ Development of national and local strategies and plans supporting public utility sector ▪ Change in capacity in implementation and enforcement <ul style="list-style-type: none"> ○ Design and implementation of risk assessments ○ Implementation of national and local strategies and action plans through adequate institutional frameworks and their maintenance ○ Monitoring, evaluation and promotion of demonstrations ▪ Change in capacity in mobilizing resources <ul style="list-style-type: none"> ○ Leverage of resources ○ Human resources ○ Appropriate practices ○ Mobilization of advisory services 	<ul style="list-style-type: none"> ▪ Programme documents including monitoring and evaluation documents ▪ Key stakeholders ▪ Research findings 	<ul style="list-style-type: none"> ▪ Documents analysis ▪ Meetings with main Partners ▪ Interviews with programme beneficiaries

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>What was the ownership of the process?</i>	<ul style="list-style-type: none"> To what extent have the target organizations and participants taken ownership of the programme and assuming an active role in it? To what extent were national public/private resources and/or counterparts mobilized to contribute to the programme’s goals and impacts? 	<ul style="list-style-type: none"> Degree of engagement of programme partners and beneficiaries in programme activities and achievements Nature of the decision-making processes of the programme and degree of participation of partners and beneficiaries in these processes 	<ul style="list-style-type: none"> Programme documents Programme Partners Programme staff Beneficiaries 	<ul style="list-style-type: none"> Document analysis Interviews
<i>How was risk and risk mitigation being managed?</i>	<ul style="list-style-type: none"> How well were risks and assumptions managed? What was the quality of risk mitigation strategies developed? Were these sufficient? Were there clear strategies for risk mitigation related with long-term sustainability of the programme? 	<ul style="list-style-type: none"> Completeness of risk identification and assumptions during programme planning Quality of existing information systems in place to identify emerging risks and other issues? Quality of risk mitigations strategies developed and followed 	<ul style="list-style-type: none"> Programme documents Programme staff and programme partners 	<ul style="list-style-type: none"> Document analysis Interviews
Lessons Learned	<ul style="list-style-type: none"> What lessons have been learnt for the programme to achieve its outcomes? What changes could have been made (if any) to the design of the programme in order to improve the achievement of the programme’s expected results? How could the programme have been more effective in achieving its results? 		<ul style="list-style-type: none"> Data collected throughout evaluation 	<ul style="list-style-type: none"> Data analysis
Evaluation criteria: <i>Efficiency - How efficiently have the JP resources been turned into results?</i>				
<i>Was the JP support channeled in an efficient way?</i>	<ul style="list-style-type: none"> To what extent did the joint programme’s management model (i.e. instruments; economic, human and technical resources; organizational structure; information flows; decision-making in management) was efficient in comparison to the development results attained? What type of work methodologies, financial instruments, business practices have the implementing partners used to increase efficiency in delivering as one? Did the pace of implementing programme outputs ensure the completeness of the joint programme’s results? Was the stipulated timeline of outputs met? Was adaptive management used or needed to ensure efficient resource use? To what extent has the programme contributed innovative measures towards solving problems? Were programme results framework and work plans and any changes made to them used as management tools during implementation? Were accounting and financial systems in place adequate for programme management and producing accurate and timely financial information? 	<ul style="list-style-type: none"> Availability and quality of progress and financial reports Timeliness and adequacy of reporting provided Level of discrepancy between planned and utilized financial expenditures Planned vs. actual funds leveraged Cost in view of results achieved compared to costs of similar programmes from other organizations Adequacy of programme choices in view of existing context, infrastructure and cost Quality of RBM reporting (progress reporting, monitoring and evaluation) Occurrence of change in programme design/ implementation approach (ie restructuring) when needed to improve programme efficiency Existence, quality and use of M&E, feedback and dissemination mechanism to share findings, lessons learned and recommendation on 	<ul style="list-style-type: none"> Programme documents and evaluations Programme staff PMC and NSC representatives Beneficiaries and partners 	<ul style="list-style-type: none"> Document analysis Key interviews

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<p><i>How efficient were partnership arrangements for the JP?</i></p>	<ul style="list-style-type: none"> ▪ Were progress reports produced accurately, timely and responded to reporting requirements including adaptive management changes? ▪ To what extent did the joint programme have a useful and reliable M&E strategy that contributed to measure development results? ▪ Were monitoring indicators relevant? Were they of sufficient quality to measure joint programme’s outputs? ▪ Were counterpart funds raised? ▪ Were financial resources utilized efficiently? Could financial resources have been used more efficiently? ▪ How was RBM used during program implementation? ▪ Were there institutionalized or informal feedback or dissemination mechanisms to ensure that findings, lessons learned and recommendations pertaining to programme design and implementation effectiveness were shared among stakeholders and partners involved in programme implementation for ongoing programme adjustment and improvement? ▪ To what extent did the joint programme help to increase stakeholder/citizen dialogue and or engagement on development issues and policies? ▪ Did the programme mainstream gender considerations into its implementation? And what types of differentiated effects are resulting from the joint programme in accordance with gender? ▪ To what extent did the joint programme have a useful and reliable C&A strategy? ▪ What type of (administrative, financial and managerial) obstacles did the joint programme face and to what extent have this affected its efficiency? 	<p>effectiveness of programme design and implementation.</p> <ul style="list-style-type: none"> ▪ Cost associated with delivery mechanism and management structure compare to alternatives ▪ Gender disaggregated data in programme documents 		
	<ul style="list-style-type: none"> ▪ To what extent partnerships/linkages between institutions/ organizations were encouraged and supported? ▪ Which partnerships/linkages were facilitated? Which one can be considered sustainable? ▪ To what extent were the participating agencies coordinating with each other and with the government and civil society (level of efficiency of cooperation and collaboration arrangements)? ▪ To what extent the governance of the fund at programme level (PMC) and at national level (NSC) contributed to efficiency and effectiveness of the joint programme? To what extent 	<ul style="list-style-type: none"> ▪ Specific activities conducted to support the development of cooperative arrangements between partners, ▪ Examples of supported partnerships ▪ Evidence that particular partnerships/linkages will be sustained ▪ Types/quality of partnership cooperation methods utilized 	<ul style="list-style-type: none"> ▪ Programme documents ▪ Programme Partners ▪ Programme staff ▪ Beneficiaries 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<p><i>Did the JP efficiently utilize local capacity in implementation?</i></p> <p>Lessons Learned</p>	<p>these governance structures were useful for development purposes, ownership, for working together as one? Did they enable management and delivery of outputs and results?</p> <ul style="list-style-type: none"> ▪ To what extent this programme was designed, implemented, monitored and evaluated jointly? ▪ To what extent was the implementation of the joint programme intervention (group of agencies) more efficient in comparison to what could have been through a single agency’s intervention? ▪ Were there efficient mechanisms for coordination that prevented counterparts and beneficiaries from becoming overloaded? ▪ Were work methodologies, financial tools etc. shared among agencies and among joint programmes? 			
	<ul style="list-style-type: none"> ▪ Was an appropriate balance struck between utilization of international expertise as well as local capacity? ▪ Did the programme take into account local capacity in design and implementation of the programme? ▪ Was there an effective collaboration with scientific institutions with competence in utility regulations? 	<ul style="list-style-type: none"> ▪ Proportion of total expertise utilized taken from Albania ▪ Number/quality of analyses done to assess local potential and absorptive capacity 	<ul style="list-style-type: none"> ▪ Programme documents ▪ Programme partners ▪ Programme staff ▪ Beneficiaries 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews
	<ul style="list-style-type: none"> ▪ What lessons can be learnt from the programme on efficiency? ▪ How could the programme have more efficiently addressed its key priorities (in terms of management structures and procedures, partnerships arrangements etc...)? ▪ What changes could have been made (if any) to the programme in order to improve its efficiency? 		<ul style="list-style-type: none"> ▪ Data collected throughout evaluation 	<ul style="list-style-type: none"> ▪ Data analysis
<p>Evaluation criteria: <i>Impacts</i> - What are the realized and potential impacts of activities carried out in the context of the JP?</p>				
<p><i>How was the JP effective in achieving its long-term objective?</i></p>	<ul style="list-style-type: none"> ▪ Did the programme achieve its strategy that was to address operational inefficiencies, weak regulatory environment, and poor service quality characterizing the energy and water infrastructure in Albania? ▪ To what extent was the JP helping to influence the management of the country’s public utilities? ▪ What differential impacts and types of effect was the JP producing among population groups, such as youth, children, adolescents, the elderly and rural populations? 	<ul style="list-style-type: none"> ▪ Change in capacity for: <ul style="list-style-type: none"> ○ Pooling/mobilizing resources ○ Related policy making and strategic planning, ○ Implementation of related laws and strategies through adequate institutional frameworks and their maintenance, ▪ Change to the quantity and strength of barriers such as change in <ul style="list-style-type: none"> ○ Knowledge about management of utilities ○ Cross-institutional coordination and inter-sectoral dialogue ○ Knowledge of utilities by consumers ○ Coordination of policy and legal instruments 	<ul style="list-style-type: none"> ▪ Programme documents ▪ Key Stakeholders ▪ Research findings; if available 	<ul style="list-style-type: none"> ▪ Documents analysis ▪ Programme staff ▪ Programme partners ▪ Interviews with programme beneficiaries and other stakeholders

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>How was the JP effective in contributing to the MDGs?</i>		<ul style="list-style-type: none"> ○ incorporating the public utility sector ○ Public utility economic incentives for stakeholders ▪ Change in use and implementation of sustainable alternatives 		
	<ul style="list-style-type: none"> ▪ To what extent and in what ways was the JP contributing to the Millennium Development Goals at the local and national levels? 	<ul style="list-style-type: none"> ▪ Provide specific examples of impacts at those levels, as relevant ▪ List of potential funds to be used to assure long term sustainability of MDG objectives 	<ul style="list-style-type: none"> ▪ Programme documents ▪ MDGs documents ▪ Key stakeholders ▪ Research findings 	<ul style="list-style-type: none"> ▪ Data analysis ▪ Interviews with key stakeholders
	Lessons Learned	<ul style="list-style-type: none"> ▪ How could the programme build on its apparent successes and learn from its weaknesses in order to enhance the potential for impact of ongoing and future initiatives? 		<ul style="list-style-type: none"> ▪ Data collected throughout evaluation
Evaluation criteria: Sustainability – What are the probabilities that the JP achievements will continue in the long run?				
<i>Are sustainability issues adequately integrated in programme design?</i>	<ul style="list-style-type: none"> ▪ Were sustainability issues integrated into the design and implementation of the programme? 	<ul style="list-style-type: none"> ▪ Evidence/Quality of sustainability strategy ▪ Evidence/Quality of steps taken to address sustainability 	<ul style="list-style-type: none"> ▪ Programme documents and evaluations ▪ Programme staff ▪ Programme partners ▪ Beneficiaries 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews
<i>Are JP achievements sustainable?</i>	<ul style="list-style-type: none"> ▪ To what extent the joint programme decision making bodies and implementing partners have undertaken the necessary decisions and course of actions to ensure the sustainability of the effects of the joint programme? ▪ Are the necessary preconditions created to ensure the sustainability of impacts of the JP? <ul style="list-style-type: none"> ○ Local level: have local knowledge, experiences, resources and local networks been adopted? ○ Country level: have networks or network institutions been created or strengthened to carry out the roles that the JP is performing? ○ Is the joint programme’s duration sufficient to ensure a cycle that will project the sustainability of interventions into the future? ▪ To what extent are visions and actions of partners consistent with or different from those of the JP? 	<ul style="list-style-type: none"> ▪ Degree to which JP activities and results have been taken over by governments or other stakeholders ▪ Evidence of commitments from governments or other stakeholders to sustain programme achievements in the long run ▪ Mechanisms in place to sustain programme achievements 	<ul style="list-style-type: none"> ▪ Programme documents and evaluations ▪ Government documents ▪ Media reports ▪ Programme staff ▪ Programme partners ▪ Beneficiaries 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews
<i>Are JP achievements</i>	<ul style="list-style-type: none"> ▪ Did the programme adequately address financial and economic sustainability issues? 	<ul style="list-style-type: none"> ▪ Level and source of future financial support to be provided to relevant sectors and activities in Albania after programme end? 	<ul style="list-style-type: none"> ▪ Programme documents and evaluations ▪ Programme staff 	<ul style="list-style-type: none"> ▪ Document analysis ▪ Interviews

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>financially sustainable?</i>	<ul style="list-style-type: none"> Are the recurrent costs after programme completion (if any) sustainable? 	<ul style="list-style-type: none"> Evidence of commitments from government or other stakeholder to financially support relevant sectors of activities after programme end Level of recurrent costs after completion of programme and funding sources for those recurrent costs 	<ul style="list-style-type: none"> Programme partners Beneficiaries 	
<i>Are organizational arrangements sustainable and will activities continue?</i>	<ul style="list-style-type: none"> Are results of efforts made during the JP implementation period well assimilated by organizations and their internal systems and procedures? Is there evidence that programme partners will continue their activities beyond programme support? What degree is there of local ownership of initiatives and results? Are appropriate ‘champions’ being identified and/or supported? 	<ul style="list-style-type: none"> Degree to which programme activities and results have been taken over by local counterparts or institutions/organizations Level of financial support to be provided to relevant sectors and activities by in-country actors after programme end Number/quality of champions identified 	<ul style="list-style-type: none"> Programme documents and evaluations Programme staff Programme partners Beneficiaries 	<ul style="list-style-type: none"> Document analysis Interviews
<i>Was an enabling environment developed?</i>	<ul style="list-style-type: none"> Are laws, policies and frameworks addressed through the programme, in order to address sustainability of key initiatives and reforms? Are the necessary related capacities for lawmaking and enforcement built? What is the level of political commitment to build on the results of the programme? 	<ul style="list-style-type: none"> Efforts to support the development of relevant laws and policies State of enforcement and law making capacity Evidences of commitment by the political class through speeches, enactment of laws and resource allocation to priorities 	<ul style="list-style-type: none"> Programme documents and evaluations Programme staff Programme partners Beneficiaries Political speeches 	<ul style="list-style-type: none"> Document analysis Interviews
<i>Were institutional and individual capacity built?</i>	<ul style="list-style-type: none"> Is the capacity in place at national and local levels adequate to ensure sustainability of results achieved to date? 	<ul style="list-style-type: none"> Elements in place in those different management functions, at appropriate levels (national, regional and local) in terms of adequate structures, strategies, systems, skills, incentives and interrelationships with other key actors 	<ul style="list-style-type: none"> Programme documents and evaluations Programme staff Programme partners Beneficiaries Capacity assessments available, if any 	<ul style="list-style-type: none"> Interviews Documentation review
<i>Will JP achievements be replicated?</i>	<ul style="list-style-type: none"> Are programme activities and results replicated elsewhere and/or scaled up? What is the programme contribution to replication or scaling up of innovative practices or mechanisms within the context of the framework of the National Strategy for Development and Integration? What lessons have been learned, and what best practices can be transferred to other programmes or countries? 	<ul style="list-style-type: none"> Number/quality of replicated initiatives Number/quality of replicated innovative initiatives Volume of additional investment leveraged 	<ul style="list-style-type: none"> Other donors programming documents Beneficiaries Programme staff Programme partners 	<ul style="list-style-type: none"> Document analysis Interviews
<i>What are the challenges for the</i>	<ul style="list-style-type: none"> What are the main challenges that may hinder sustainability of efforts? Have any of these been addressed through programme 	<ul style="list-style-type: none"> Challenges in view of building blocks for long-term sustainability Recent changes which may present new 	<ul style="list-style-type: none"> Programme documents and evaluations Beneficiaries 	<ul style="list-style-type: none"> Document analysis Interviews

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>sustainability of JP achievements?</i>	management? <ul style="list-style-type: none"> ▪ What could be the possible measures to further contribute to the sustainability of efforts achieved with the programme? ▪ In what ways can governance of the joint programme be improved so as to increase the chances of achieving sustainability in the future? 	challenges to the programme	<ul style="list-style-type: none"> ▪ Programme staff ▪ Programme partners 	
Lessons Learned	<ul style="list-style-type: none"> ▪ Which areas/arrangements under the programme show the strongest potential for lasting long-term results? ▪ What are the key challenges and obstacles to the sustainability of results of the programme initiatives and what can be done? 		<ul style="list-style-type: none"> ▪ Data collected throughout evaluation 	<ul style="list-style-type: none"> ▪ Data analysis

Annex 3: List of Documents Consulted

ACA, August 15, 2010, *Project: Grant for the Development of the Content of a Consumer Protection Web Site with an Online Consumer Education Module*

ACA, *Draft Project Description: Shkodra Consumer Advisory Center*

AF – Mercados EMI, June 2011, *Inception Report on the Albanian Power Market*

AF – Mercados EMI, November 2011, *A Stocktaking Assessment of the Albanian Power Market: Reform Progress and Market Monitoring Report – Draft v2*

Albania Foundation for Conflict Resolution and Reconciliation of Disputes, December 12, 2011, *Training Seminars Report: Alternative Disputes Resolution/Mediation in Consumer Business Disputes*

AltinUka, November 3, 2011, *The Customer Services Situation in the Albanian Water and Sewerage Sector – International Water Week, Amsterdam*

AvniDervishi, August 21, 2011, *Service Contract for Water Supply and Sewerage – Towards a Legal and Fair Relationship Between Consumers and Operators – World Water Week, Stockholm*

Council of Ministers, March 2008, *National Strategy for Development and Integration 2007-2013*

Council of the European Union, May 22, 2006, *Stabilization and Association Agreement (SAA) between the European Communities and their Member States, of the one part, and the Republic of Albania, of the other part*

Department of Strategy and Donor Coordination, Donor Technical Secretariat, June 2011, *Government Donor Dialogue – Issue No. 51 Monthly Newsletter*

Donald J. MacDonald, Prof. Dr. BizenaBijo, November 2010, *Mid-Term Review of the Albanian Strategy on Consumer Protection and Market Surveillance 2007-2013 (Food Products Component)*

EG Joint Programme, 2009 2nd Semester - *Monitoring Report*

EG Joint Programme, 2010 1st Semester - *Monitoring Report*

EG Joint Programme, 2010 1st Semester – *Thematic Indicators*

EG Joint Programme, 2010 2nd Semester - *Monitoring Report*

EG Joint Programme, 2011 1st Semester - *Monitoring Report*

EG Joint Programme, *Albania Power Sector – Consolidated Financial Projections 2010-2020*

EG Joint Programme, April 28, 2010, *Request for Proposal for the Provision of Professional Services for the Development of a Web-based database for the Albanian Consumer Complaints Management System*

EG Joint Programme, *Brochure: Economic Governance, Regulatory Reform and Pro-Poor Development in Albania*

EG Joint Programme, *Communication and Advocacy Strategy: Protecting Consumers in Albania*

EG Joint Programme, June 2010, *Study Tour Report – Italian competition Authority*

EG Joint Programme, June 2010, *Study Tour Report – Romanian National Authority*

EG Joint Programme, May 21, 2010, *Updated Activities, Work Plan and Budget (Inception Report)*

EG Joint Programme, March 2011, *Training Materials – Consumer Protection in Albania*

EG Joint Programme, March 2011, *Training Manual – Consumer Protection in Albania*

EG Joint Programme, *Minutes of the PMC Meeting – April 15, 2010*

- EG Joint Programme, *Minutes of the PMC Meeting – November 10, 2010*
- EG Joint Programme, *Minutes of the PMC Meeting – March 17, 2011*
- EG Joint Programme, *Minutes of the PMC Meeting – September 7, 2011*
- EG Joint Programme, October 2011, *Improving the Monitoring and Benchmarking (M&B) Function in the Water and Sanitation Sector in Albania (Second Draft)*
- EG Joint Programme, October 13, 2011, *Issues and Options for the Improvement of Water and Sanitation Services for the Rural Poor in Albania (Second Draft)*
- EG Joint Programme, *Progress and Expenditures Report for PMC Meeting November 10, 2010*
- EG Joint Programme, *Progress and Expenditures Report for PMC Meeting March 17, 2011*
- EG Joint Programme, *Progress and Expenditures Report for PMC Meeting September 7, 2011*
- EG Joint Programme, *Stocktaking of Micro-Economic Data on Electricity and Water in Albania (draft)*
- EG Joint Programme, *Sustainability Strategy*
- EG Joint Programme, *TOR for Technical Assistance for the Assessment and Diagnosis of Electricity Market Implementation in Albania*
- EG Joint Programme, *TOR: Design and Implementation of a Survey of Citizens’ Perceptions of the Quality of Electricity Supply Services and Water Supply and Sewerage Services*
- EG Joint Programme, *Water Practices and Willingness to Pay for Improved Water Services in Durres District: Preliminary Results (draft)*
- EG Joint Programme, World Bank, October 12, 2011, *Electricity Tariffs and Protection of Vulnerable Households in Albania (draft)*
- EG Joint Programme, *Work Plan and Budget 2011*
- EG Joint Programme, *Work Plan and Budget January to June 2012 (5 months extension)*
- Giantris Philip, June 10, 2011, *Consultation Workshop Reports*
- Giantris Philip, May 31, 2011, *Capacity Assessment – National Water Sector Institutions*
- Government of Albania, UN, July 2010, *Albania National Report on Progress Toward Achieving the MDGs – Special Edition*
- KlasRingskog, July 2010, *Albania – Revision of National Water Supply and Sewerage Strategy – Best Practice Water Supply and Sewerage Sector Strategies*
- KlasRingskog, July 2010, *Albania – Revision of National Water Supply and Sewerage Strategy – Best Practice Pricing Policies for Water Supply and Sewerage*
- KlasRingskog, September 28, 2010, *Albania – Revision of National Water Supply and Sewerage Strategy – Objectives and Principles for Reform*
- MarijanaLoncarVelkova, Alba Dakoli Wilson, November 2010, *Mission Report: Capacity Development Needs Assessment of the Albanian Consumers’ Association (ACA)*
- MarijanaLoncarVelkova, Alba Dakoli Wilson, November 2010, *Mission Report: Capacity Development Needs Assessment of the Association for the Protection of Consumers Office for Consumer Protection (ACP-ZMK)*
- MDG-F, *Albania: Culture and Heritage for Social and Economic Development – Biannual Report 2010*
- MDG-F, *Albania: Reducing Malnutrition in Children – Biannual Report 2010*

- MDG-F, *Albania: Youth migration - Reaping the benefits and mitigating the risks – Biannual Report 2010*
- MDG-F, *Briefing Package (set of general documents on MDG-F: guidelines, templates, advocacy and communication strategy, etc.)*
- MDG-F, January 10, 2011, *No-cost Extension to Joint Programme – Amendment (Memo)*
- MDG-F, Transmit Memo*
- MPWTT, August 29, 2011, *Validation and Finalisation of Feasibility Study and Preparation of Preliminary and Detailed Design for Bulk Water Supply Line to Durres Region*
- MPWTT, July 2007, *National Strategy of Water Supply and Sewerage Service Sector (Draft)*
- MPWTT, May 2011, *National Water Supply and Sewerage Services Sector Strategy 2011-2017*
- NexmeddinDumani, *Support for Water Affordability for Vulnerable Groups (draft)*
- OST, *OST sh.a –Business Plan for 2011*
- Panorama National Newspaper, March 16, 2001, *Interview of EG Programme CTA on Consumer Protection in Albania*
- Sabine Beddies, Hermine de Soto, *Albania – Decentralization and Water Sector Privatization (chapter 9 of Poverty and Social Impact Analysis of Reforms)*
- SaliBerisha (Dr.), 2010, *Policy and Strategy – Water Supply and Sewerage Sector 2010-2013*
- UN Albania, *United Nations Development Assistance Framework – 2006-2010 Albania*
- UNDP Albania, August 2010, *National Human Development Report – Capacity Development and Integration with the European Union*
- UNDP, *UNDP: Country Programming and Related Matters – Country Programme Document for Albania 2006-2010*
- United Nations Albania, 2010, *2010 One UN Programme Annual Report*
- Valu Add Management Services, September 2011, *National Study on the Customer Services of the Albanian Water Utility Companies – Final Report*
- World Bank, August 2011, *Decentralization and Service Delivery in Albania: Governance in the Water Sector – A World Bank Issue Brief*
- World Bank, November 3, 2011, *Project Appraisal Document on a Proposed Loan in the amount of USD 40M to Albania for the Water Sector Investment Project*
- WRA, *Know your Rights and Obligations under the New Contract for Water and Sewerage Services (leaflet)*
- _____, *Agreement Between the World Bank and the UNDP Relating to the EG Joint Programme in Albania*
- _____, *Albania FFS Yearly Reporting – 2010*
- _____, April 29, 2011, *Minutes of the Meeting/Donors only Coordination Meeting on the Sector Working Group on Water and Sanitation*
- _____, *Concept Note: Albania Economic Governance*
- _____, *Contract for Water Supply and Sewerage Systems (model)*
- _____, *Economic Governance: Regulatory Reform and Pro-Poor Development in Albania – Joint Programme Document*

- _____, June 2003, *The National Strategy of Energy and Plan of Action – Summary*
- _____, May-June 2010, *Training Seminar Report – Enforcing Consumer Protection Legislation in Albania*
- _____, *Minutes of the Meeting of the National Steering Committee for the UNDP – Spain MDG Achievement Fund (January 21, 2008)*
- _____, *Narrative Report – 1st Year of Activities – Jan-Dec. 2010 (World Bank)*
- _____, *National Consultant to review and support METE to draft the relevant amendments of the draft law ‘On the marketing and market surveillance of non food products’*
- _____, October 2010 – July 2011, *Report - 10 Meetings (Tirana, Gjirokaster, Fier, Shkoder, Durres, Kukes, Vlore, Elbasan, Berat and Korça) with Journalists on Consumer Protection in Albania*
- _____, *Strategy on Consumer Protection and Market Surveillance – 2007-2013*
- _____, *TOR: Implementation of a Study on Access to Water and Sewerage in the Informal Urban Settlements and Rural Areas of Five Albanian Districts*
- _____, *TV Spots on Consumer Protection*
- _____, *World Bank Deliverables*

Annex 4: Discussion Guide

Note: This is only a discussion guide for the Evaluator; it is a simplified version of the evaluation matrix. All questions will not be asked to each meeting; it is a reminder for the Evaluator on the type of information required to complete the evaluation exercise and a guide to prepare the semi-structured interviews.

I. RELEVANCE – *How does the JP relate to the needs of Albania, the MDGs and the policies and strategies of the programmes’ partners and donors?*

- I.1. Was the JP relevant to MDG implementation at local and national level in Albania?
- I.2. Was the JP relevant to UN objectives in Albania?
- I.3. Did the JP contribute to the goals of the thematic window?
- I.4. Was the JP relevant to Albania development objectives?
- I.5. Was the JP addressing the needs of target beneficiaries?
- I.6. Was the JP internally coherent in its design?
- I.7. How was the JP relevant in light of related initiatives in Albania?

Lessons Learned

- I.8. What lessons have been learnt and what changes could have been made to the JP in order to strengthen the alignment between the JP and the Partners’ priorities and areas of focus?
- I.9. How could the JP have better targeted and addressed priorities and development challenges of targeted beneficiaries?

II. EFFECTIVENESS – *To what extent are the expected outcomes of the JP being achieved?*

- II.1. How was the JP effective in achieving its expected outcomes?
 - o Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery;
 - o Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies;
 - o Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas.
- II.2. What was the ownership of the process?
- II.3. How was risk and risk mitigation being managed?

Lessons Learned

- II.4. What lessons have been learnt for the JP to achieve its outcomes?
- II.5. What changes could have been made (if any) to the design of the JP in order to improve the achievement of the JP’s expected results?
- II.6. How could the JP have been more effective in achieving its results?

III. EFFICIENCY – *How efficiently have the JP resources been turned into results?*

- III.1. To what extent did the joint programme’s management model (i.e. instruments; economic, human and technical resources; organizational structure; information flows; decision-making in management) was efficient in comparison to the development results attained??
- III.2. Was adaptive management used or needed to ensure efficient resource use?
- III.3. Did the JP result framework and work plans and any changes made to them used as management tools during implementation?
- III.4. Were accounting and financial systems in place adequate for programme management and producing accurate and timely financial information?

- III.5. Were progress reports produced accurately, timely and respond to reporting requirements including adaptive management changes?
- III.6. Were counterpart funds raised?
- III.7. Were financial resources utilized efficiently? Could financial resources have been used more efficiently?
- III.8. How was RBM used during program implementation?
- III.9. Were there institutionalized or informal feedback or dissemination mechanism to ensure that findings, lessons learned and recommendations pertaining to programme design and implementation effectiveness were shared among programme stakeholders and partners involved in programme implementation for ongoing programme adjustment and improvement?
- III.10. Did the JP mainstream gender considerations into its implementation? And what types of differentiated effects are resulting from the joint programme in accordance with gender?
- III.11. How efficient were partnership arrangements for the JP?
- III.12. Did the JP efficiently utilize local capacity for its implementation?

Lessons Learned

- III.13. What lessons can be learnt from the JP on efficiency?
- III.14. How could the JP have more efficiently addressed its key priorities (in terms of management structures and procedures, partnerships arrangements etc...)?
- III.15. What changes could have been made (if any) to the JP in order to improve its efficiency?

IV. IMPACTS - *What are the realized and potential impacts of activities carried out in the context of the JP?*

- IV.1. Did the JP achieve its strategy that was to address operational inefficiencies, weak regulatory environment, and poor service quality characterizing the energy and water infrastructure in Albania?
- IV.2. To what extent was the JP helping to influence the management of the country’s public utilities?
- IV.3. What differential impacts and types of effect was the JP producing among population groups, such as youth, children, adolescents, the elderly and rural populations?
- IV.4. How was the Programme effective in contributing to the MDGs?

Lessons Learned

- IV.5. How could the programme have built on its apparent successes and learn from its weaknesses in order to enhance the potential for impact of ongoing and future initiatives?

V. SUSTAINABILITY - *What are the probabilities that the JP achievements will continue in the long run?*

- V.1. Were sustainability issues adequately integrated in programme design?
- V.2. Are JP achievements sustainable?
- V.3. Are JP achievements financially sustainable?
- V.4. Are organizational arrangements sustainable and will activities continue?
- V.5. Are laws, policies and frameworks being addressed through the programme, in order to address sustainability of key initiatives and reforms?
- V.6. Is the capacity in place at the national and local levels adequate to ensure sustainability of results achieved to date?
- V.7. Are programme activities and results being replicated elsewhere and/or scaled up?
- V.8. What are the challenges for the sustainability of JP achievements?

Lessons Learned

- V.9. Which areas/arrangements under the programme show the strongest potential for lasting long-term results?
- V.10. What are the key challenges and obstacles to the sustainability of results of programme initiatives and what can be done?

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Annex 5: Evaluation Mission Agenda



Economic Governance, Regulatory Reform and Pro-Poor Development Final Evaluation, 13 - 23 November 2011 DRAFT MISSION AGENDA

Sunday, 13 November 2011

Arrival of Mr. Jean-Joseph Bellamy in Tirana

Monday, 14 November 2011

- 10.00 – 11.00 Briefing with:
Mr. Norimasa Shimomura, Country Director/UNDP Albania
Mr. Freddy Austli, Deputy Country Director/UNDP Albania
Mr. Eno Ngjela, Programme Analyst/UNDP Albania
- 11.00 – 13.00 **Mr. Hachemi Bahloul**, Chief Technical Adviser/EG programme
Ms. Anula Guda, Programme Manager/EG programme
Ms. Iris Panariti, Administration and Finance Assistant/EG programme
- 13.00 – 14.00 Lunch break
- 14.30 – 15.00 **Ms. Kseniya Lvovsky**, Country Manager, World Bank Albania
- 15.15 – 16.30 **Ms. Anila Jani**, Director, Market Mechanisms and State Aid Department, METE, and Chairperson of the Consumer Protection Commission (CPC)
- 17.00 – 18.00 Office work

Tuesday, 15 November 2011

- 09.30 – 11.30 **Mr. Avni Dervishi**, Chairman, Water Regulatory Authority (WRA)
- 12.00 – 13.00 **Mr. Ylli Manjani**, Deputy Minister, Ministry of Public Work and Transport (MPWT)
- 13.00 – 14.00 Lunch break
- 14.00 – 15.30 **Mr. Artan Guxho**, Project Officer, World Bank Albania
- 16.30 – 18.00 Office work

Wednesday, 16 November 2011

- 11.00 – 12.30 **Mr. Gazmend Daci**, Project Officer, World Bank Albania
- 13.00 – 14.00 Lunch break
- 14.45 – 15.45 **Mr. Rasim Gjoka**, Executive Director, Albanian Foundation for Conflict Resolution and Reconciliation of Disputes
- 16.00 – 18.00 **Mr. Islam Cani**, Chairman, Albanian Consumers’ Association

Thursday, 17 November 2011

- 09.00 – 09.30 **Mr. Edmond Hali**, General Director, Water, Sanitation and Solid Waste General Directorate, MPWT
- 09.30 – 10.00 **Ms. Vilma Bibolli**, Director, Investments and Monitoring of Water and Sanitation, MPWT
- 10.30 – 11.30 **Ms. Valbona Kuko**, Director, Department of Strategy and Donors Coordination in the Council of Ministers
- 12.00 – 13.30 **Mr. Ramadan Sokoli**, Chairman, Energy Regulatory Entity (ERE)
- 13.30 – 14.15 Lunch with **Mr. Eno Ngjela** at ABA Center, 4th Floor
- 14.30 – 15.30 **Ms. Marsida Xhaferllari**, General Director of Justice Matters in the Ministry of Justice and member of the CPC
- 16.00 – 18.00 Office work

Friday, 18 November 2011

- 09.00 – 10.00 **Mr. Engjell Zeqo**, General Manager, Albanian Power Corporation
- 13.00 – 14.00 Lunch break
- 17.00 – 18.00 **Mr. Arben Ibroja**, General Manager, Transmission System Operator (3rd floor ERE building)

Saturday, 19 November 2011

- 09.30 – 10.30 **Mr. Philip Giantris**, Executive Director, Water Supply and Sewerage Association of Albania

Monday, 21 November 2011

- 09.30 Departure to Durres
- 10.30 – 12.00 **Mr. DokleadAdemi**, Manager of Durres Water Utility
- 12.00 – 13.30 Lunch break in Durres
- 13.30 Return to Tirana
- 14.30 – 15.45 **Mr. SokolDervishi**, Deputy Minister, METE
- 15.30 – 16.15 **Ms. Ainhoa FábregaLarrucea**, Deputy Head of Mission, Embassy of Spain in Albania
- 16.30 – 17.30 **Mr. LutfiDervishi**, journalist

Tuesday, 22 November 2011

- 09.00 – 10.00 **Mr. JaroslavMacek**, Chief Operating Officer, CEZ Shperndarje
- 13.00 – 14.30 Lunch break
- 14.30 – 15.30 Debriefing with:

Ms. Zineb Touimi-Benjelloun, UN Resident Coordinator/UNDP Resident Representative
Mr. Norimasa Shimomura, Country Director/UNDP Albania
Mr. Freddy Austli, Deputy Country Director/UNDP Albania
Mr. Eno Ngjela, Programme Analyst/UNDP Albania

Wednesday, 23 November 2011

Departure of Mr. Jean-Joseph Bellamy to Rinas Airport

Annex 6: List of People Met

Title	Responsible Person	Institution	Position
Mr.	AgimNaci	Energy Regulatory Entity	Advisor
Ms.	Ainhoa Fabrega	Spanish Embassy	Deputy Head of Mission
Ms.	AlpinaQiriazhi	Department of Strategy and Donor Coordination	Coordinator
Mr.	AltinUka	Water Regulatory Entity	Deputy Chairman
Ms.	Andrea Goertler	GIZ - Water Sector Reform Programme	Adviser
Ms.	AnilaJani	Ministry of Economy Trade and Energy	Director of Market Mechanisms and State Aid Department
Ms.	Anula Guda	EG programme team	EG programme Manager
Mr.	Arben Ibroja	OST	General Administrator
Mr.	ArjanJovani	Water Regulatory Entity	Commission Member
Mr.	ArtanGuxho	World Bank	Project Officer
Mr.	AvniDervishi	Water Regulatory Entity	Chairman
Mr.	DokleadAdemi	Durres Water Utility	General Director
Mr.	Edmond Elezi	Energy Regulatory Entity	Director, Legal Department
Mr.	Edmond Hali	Ministry of Public Works and Transport (General Directorate of Water and Sanitation and Solid Waste Policies)	General Director of Water, Sanitation and Solid Waste Policy
Mr.	EngjellZeqo	KESH	General Director
Mr.	Eno Ngjela	UNDP-Albania	Programme Analyst
Ms.	Entela Qirko	Energy Regulatory Entity	Customer Protection Unit
Mr.	Freddy Austli	UNDP-Albania	Deputy Country Director

Title	Responsible Person	Institution	Position
Mr.	GazmendDaci	World Bank	Project Officer
Mr.	Hachemi Bahloul	EG programme team	EG programme CTA
Ms.	Iris Panariti	EG programme team	EG programme Assistant
Mr.	Islam Cani	Albanian Consumers Association	Chairman
Mr.	JaroslavMacek	CEZ Albania	Chief Operating Officer
Ms.	KsenyaLvovsky	World Bank	Country Manager
Mr.	LutfiDervishi	Media	Chairman of Transparency International / Journalist
Ms.	MarsidaXhaferllari	Consumer Protection Commission (CPC)	Member
Mr.	Norimasa Shimomura	UNDP-Albania	Country Director
Mr.	Philip Giantris	Association of Water Utilities	Executive Director
Ms.	RajmondIslamaj	Energy Regulatory Entity	Director of Tariffs
Mr.	RasimGjoka	Albanian Foundation for Alternative Dispute Resolution	Executive Director
Ms.	SemiraKasimati	Association of Water Utilities	Director of Business Management Services
Mr.	SokolDervishi	Ministry of Economy Trade and Energy	Deputy Minister
Ms.	ValbonaKuko	Department of Strategy and Donor Coordination	Director
Ms.	VilmaBibolli	Ministry of Public Works and Transport (General Directorate of Water and Sanitation and Solid Waste Policies)	Director of Investments and Monitoring of Water and Sanitation
Mr.	YlliManjani	Ministry of Public Works and Transport	Deputy Minister
Ms.	Zineb Touimi-Benjelloun	UNDP-Albania	UN Resident Coordinator/UNDP Resident Representative

Annex 7: Joint Programme Expected Results and Planned Activities

Output Description	Financial resources	National Partners	Activities
Outcome 1: Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery			
Output 1: Key capacity constraints limiting the effectiveness of ERE and GDWS identified	\$224,700	<ul style="list-style-type: none"> • ERE • MPWTT • GDWS • METE 	<ul style="list-style-type: none"> • Activity 1.1: Assessment of the Power Market Model and formulation of recommendations supporting a strengthening of monitoring of the market by ERE (WB) • Activity 1.2: Capacity diagnosis of GDWS and the General Directorate for Policy on Water, Wastewater and Solid Waste (WB) • Activity 1.3:Assessment of the performance of the monitoring and benchmarking unit (MBU) of GDWS and report with recommendations for a new monitoring and benchmarking methodology prepared (WB)
Output 2: Remedies to address capacity constraints and improve performance designed/implemented	\$214,000	<ul style="list-style-type: none"> • METE • MTWTT • GDWS 	<ul style="list-style-type: none"> • Activity 2.1: Preparation of business plans for KESH and OST and agreements on performance (WB) • Activity 2.2: Training of GDWS staff on monitoring methodologies, service quality, transparency, complaints systems and dispute resolution (WB) • Activity 2.3:Assessment and recommendations for a methodology to prioritize water related investment in rural areas prepared (WB)
Output 3: Public relations of KESH, ERE and GDWS improved	\$128,400	<ul style="list-style-type: none"> • METE • ERE • GDWS • WRE • Local Gov. Units 	<ul style="list-style-type: none"> • Activity 3.1:Design and implementation of a national survey on citizens' perceptions of the quality of electricity and water services (UNDP)
Output 4: Public awareness on utility provision increased	\$74,900	<ul style="list-style-type: none"> • METE • ERE • GDWS • WRE • Local Gov. Units 	<ul style="list-style-type: none"> • Activity 4.1: Discussions between central authorities, local government and citizens on water sector issues based on the survey prepared under activity 3.1 and on water sector reform organized in several regions of Albania (UNDP)
Outcome 2: Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies			
Output 5: State bodies' capacity increased	\$309,035	<ul style="list-style-type: none"> • METE • WRE 	<ul style="list-style-type: none"> • Activity 5.1: The Director of MSSAD trained in the use of consumer complaints data for policy making. Study tours in Italy and Romania organized on overall consumer protection systems, complaints mgt. and cooperation with consumer protection associations/CPAs (5 staff of MSSAD, 4 CPC members, 1 consumer association staff and 1 journalist) (UNDP) • Activity 5.2: Training of MSSAD/CPC and consumer protection NGO staff in: a) enforcement of EU consumer credit directive; b) enforcement of EU distance marketing of consumer

Output Description	Financial resources	National Partners	Activities
			financial services directive (<i>UNDP</i>) <ul style="list-style-type: none"> • Activity 5.3: Establish National Complaints Management System (CCMS), support software design, installation and training for the use of the software (<i>UNDP</i>) • Activity 5.4: Formulation of training programme and training of lawyers on the provisions of the consumer protection law through one or several workshops (<i>UNDP</i>) • Activity 5.5: Upgrading the skills of the staff of the Foundation for Conflict Resolution to handle business-consumer matters (<i>UNDP</i>) • Activity 5.6: Review of the electricity and water contracts for compliance with the consumer protection law and drafting of model contracts (<i>UNDP</i>) • Activity 5.7: Study on the consumer services of the water utilities and formulation of recommendations for the establishment of a model for the customer services of the water utilities (<i>UNDP</i>) • Activity 5.8: Mid-term review of implementation of the food and non-food components of Strategy for Consumer Protection and Market Surveillance and preparation of Action Plan (<i>UNDP</i>) • Activity 5.9: Amendment of the Market Surveillance Law, drafting of complaint procedure and update of the Commentary on CP law (<i>UNDP</i>)
Output 6: Consumer protection capabilities developed in 6 pilot regions	\$304,950	<ul style="list-style-type: none"> • METE 	<ul style="list-style-type: none"> • Activity 6.1: Capacity development needs assessment of the consumer protection associations (<i>UNDP</i>) • Activity 6.2: Development and implementation of a training programme in favour of the central structures of the associations and their regional/local focal points • Activity 6.3: Establishment of 2 “model” regional Consumer Advisory Centres with international expert assistance and support to their activities • Activity 6.2: Formulation and implementation of a national consumer awareness campaign (airing of TV spots on consumer rights) (re-programmed resources) (<i>UNDP</i>) • Activity 6.3: Training of media on consumer rights and on the provisions of the consumer protection law (<i>UNDP</i>)
Outcome 3: Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas			
Output 7: Adequate mechanisms in place to facilitate effective tariff reform	\$304,950	<ul style="list-style-type: none"> • MLSAEO • CSO 	<ul style="list-style-type: none"> • Activity 7.1: Taking stock of available micro-economic data to identify knowledge gaps that the new data collection should address (<i>WB</i>) • Activity 7.2: A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers (<i>WB</i>) • Activity 7.3: National survey on willingness to pay for electricity and water as a tool to anchor price increases on revealed preferences of households (<i>WB</i>) • Activity 7.4: Poverty and social impact analysis of tariff reforms in the electricity and water

Output Description	Financial resources	National Partners	Activities
			sectors (WB) <ul style="list-style-type: none"> • Activity 7.5: Analysis of potential national mechanisms for the protection of the poor and vulnerable from tariff increases (WB)
Output 8: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized	\$42,800	<ul style="list-style-type: none"> • METE 	<ul style="list-style-type: none"> • Activity 8.1: Study on access to water in informal urban settlements and rural areas (UNDP)
Management and Evaluation	\$493,465		
UNDP	\$1,353,550		
World Bank	\$743,650		
Total	\$2,097,200		

Note: This list of activities is the final list. It differs from the list in the JP document; changes are documented in the Start-up phase report, in PMC meeting minutes and in the Sustainability Strategy of the programme (2011).

Annex 8: Changes Made to List of Activities

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
Outcome 1: Enhance the capacities of electricity and water policy makers and regulatory bodies to better monitor the provision and efficiency of service delivery			
Output 1: Key capacity constraints limiting the effectiveness of ERE and GDWS identified	<ul style="list-style-type: none"> • 1. Capacity diagnosis of ERE conducted • 2. Capacity diagnosis of GDWS conducted • 3. Legal and regulatory frameworks governing production, supply of alternative, micro energy (e.g., micro-hydro) production assessed • 4. Studies on alternative energy provision conducted in pilot communities • 5. Strengthen ERE monitoring of power usage and metering, and oversight of KESh billing • 6. Strengthen the capacity of the Monitoring and Benchmarking Unit of the GDWS 	<ul style="list-style-type: none"> • Activity 1.1:Capacity diagnosis of ERE • Activity 1.2: Capacity diagnosis of GDWS • Activity 1.3:Assessment of legal and regulatory frameworks governing production, supply of alternative, micro energy production • Activity 1.6: Strengthen the capacity of the Monitoring and Benchmarking Unit of GDWS 	<ul style="list-style-type: none"> • Activity 1.1: Assessment of the Power Market Model and formulation of recommendations supporting a strengthening of monitoring of the market by ERE (WB) • Activity 1.2: Capacity diagnosis of GDWS and the General Directorate for Policy on Water, Wastewater and Solid Waste (WB) • Activity 1.3:Assessment of the performance of the monitoring and benchmarking unit (MBU) of GDWS and report with recommendations for a new monitoring and benchmarking methodology prepared (WB)
Output 2: Remedies to address capacity constraints and improve performance designed/implemented	<ul style="list-style-type: none"> • 7. Assistance in preparing the primary and secondary legislation regulating the generation of alternative renewable energy • 8. Support the preparation of business plans for utilities • 9. Support to capacity building and Training for ERE staff concerning monitoring methodologies, transparency, complaints systems, and dispute resolution • 10. Support to capacity building and training for GDWS staff concerning its role in monitoring utility 	<ul style="list-style-type: none"> • Activity 2.1: Assistance in preparing primary and secondary legislation regulating the generation of alternative renewable energy. • Activity 2.4 Training of GDWS staff on monitoring methodologies, service quality, transparency, complaints systems and dispute resolution in a decentralized system • New Activity: Preparation of business plans for KESH and OST and agreements on performance. • New Activity: Develop the methodology and build capacity around 	<ul style="list-style-type: none"> • Activity 2.1: Preparation of business plans for KESH and OST and agreements on performance (WB) • Activity 2.2: Training of GDWS staff on monitoring methodologies, service quality, transparency, complaints systems and dispute resolution (WB) • Activity 2.3:Assessment and recommendations for a methodology to prioritize water related investment in rural areas prepared (WB)

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
	<p>performance and service quality, ensuring transparency, and handling complaints in a decentralized system</p> <ul style="list-style-type: none"> • 11. Capacity development of ERE, METE staff on regulating gas delivery 	<p>the prioritization of investments in water supply in rural areas (i.e. creating a long-list of villages that might be eligible for rural water supply schemes)</p>	
<p>Output 3: Public relations of KESH, ERE and GDWS improved</p>	<ul style="list-style-type: none"> • 12. Further institutionalisation of public hearings at the national and local levels, with regard to issues of energy and water provision 	<ul style="list-style-type: none"> • Activity 3.1: Design and implementation of a national survey on citizens’ perceptions of electricity and water services as a way of identifying where companies can improve services and provide hard data for a dialogue between providers and customers. The results of the national survey will be of use to: <ul style="list-style-type: none"> ○ The providers ○ The policy makers (METE and MPWTT) ○ The regulators (local govt., ERE and WRE) <p>Preparation of national and regional analytical reports on the results of the national survey of citizens’ perceptions of electricity and water services</p>	<ul style="list-style-type: none"> • Activity 3.1: Design and implementation of a national survey on citizens’ perceptions of the quality of electricity and water services (<i>UNDP</i>)
<p>Output 4: Public awareness on utility provision increased</p>	<ul style="list-style-type: none"> • 13. Support public awareness (e.g., media outreach) activities in these areas 	<ul style="list-style-type: none"> • Activity 4.1: Media campaign informing about: <ul style="list-style-type: none"> ○ the results of the survey; ○ government reforms in the sectors; ○ tariff increases; ○ payment of bills; ○ complaint management systems; ○ Other. <p>Preparation of information materials (national issues). Organization of a national round table to discuss the reform of electricity and water services. Preparation of information materials for</p>	<ul style="list-style-type: none"> • Activity 4.1: Discussions between central authorities, local government and citizens on water sector issues based on the survey prepared under activity 3.1 and on water sector reform organized in several regions of Albania (<i>UNDP</i>)

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
		<p>the regional public hearings (specific regional issues). Organization of public hearings in the 12 regions of Albania to discuss the topics mentioned above, including specific regional issues</p>	
Outcome 2: Provide a strong national voice for consumers by strengthening the relevant consumer associations and State bodies			
<p>Output 5: State bodies’ capacity increased</p>	<ul style="list-style-type: none"> • 14. Assistance to METE (especially the Central Technical Inspectorate, CTI) on methodologies, e-governance, and other instruments to better protect and promote consumer interests, in particular in the electricity, water, and sewage sectors—mission, structure and functions • 15. Training of METE (CTI) on: <ul style="list-style-type: none"> ○ a. investigating complaints concerning industrial products, and services provided by electricity, gas, water and sewer companies ○ b. identifying through qualitative surveys where companies can improve service to reduce the level of complaints ○ c. supporting CTI efforts to implement market surveillance activities in their daily activities ○ d. benchmarking and monitoring utility providers’ annual performance to see if service is improving 	<ul style="list-style-type: none"> • Activity 5.1: Functional review and capacity assessment of the MSD/CPS in order to identify the structure, staffing and capacity requirements in a situation of growing consumer protection tasks and workload (Technical Secretariat to the CPC, Consumer Complaints Management System, funding of NGOs etc.). • New Activity: Networking with EU member state consumer protection institutions and exposure of MSD/CPS to relevant EU practices in: <ul style="list-style-type: none"> ○ Overall consumer protection systems ○ Complaint management systems ○ Alternative dispute resolution systems ○ Cooperation with consumer protection NGOs • Activity 5.2: *Training of the inspectors of the new Market Surveillance Body Training targeting the CPC and the CPS which will include: <ul style="list-style-type: none"> ○ Unfair commercial practices (case based) ○ Misleading advertisements (case based) ○ Unfair terms of contracts (case based) 	<ul style="list-style-type: none"> • Activity 5.1: The Director of MSSAD trained in the use of consumer complaints data for policy making. Study tours in Italy and Romania organized on overall consumer protection systems, complaints mgt. and cooperation with consumer protection associations/CPAs (5 staff of MSSAD, 4 CPC members, 1 consumer association staff and 1 journalist) (<i>UNDP</i>) • Activity 5.2: Training of MSSAD/CPC and consumer protection NGO staff in: a) enforcement of EU consumer credit directive; b) enforcement of EU distance marketing of consumer financial services directive (<i>UNDP</i>) • Activity 5.3: Establish National Complaints Management System (CCMS), support software design, installation and training for the use of the software (<i>UNDP</i>) • Activity 5.4: Formulation of training programme and training of lawyers on the provisions of the consumer protection law through one or several workshops (<i>UNDP</i>) • Activity 5.5: Upgrading the skills of the staff of the Foundation for Conflict Resolution to handle business-consumer matters (<i>UNDP</i>) • Activity 5.6: Review of the electricity and water contracts for compliance with the consumer protection law and drafting of model contracts (<i>UNDP</i>) • Activity 5.7: Study on the consumer services of

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
		<ul style="list-style-type: none"> • New Activity: Establishment of a NCCMS, including: <ul style="list-style-type: none"> ○ Software design and installation ○ Training for the use of the software • New Activity: Formulation of training programme and training of lawyers on the provisions of the consumer protection law. This will be done through one or several workshops and will target the lawyers that are working closely with METE, the CPC and the consumer protection associations. • New Activity: Upgrading the skills of the staff of the Foundation for Conflict Resolution to handle business-consumer matters. Other partners could be sought instead for this activity, although the Foundation is the only institution with such capacity and network in Albania. • New Activity: Review of the electricity and water contracts for compliance with the consumer protection law and drafting of model contracts • (Updated activity 6.2): Support to the mid-term review of implementation of the Strategy for Consumer Protection and Market Surveillance and preparation of Action Plan with benchmarks for the rest of the implementation period 	<p>the water utilities and formulation of recommendations for the establishment of a model for the customer services of the water utilities (<i>UNDP</i>)</p> <ul style="list-style-type: none"> • Activity 5.8: Mid-term review of implementation of the food and non-food components of Strategy for Consumer Protection and Market Surveillance and preparation of Action Plan (<i>UNDP</i>) • Activity 5.9: Amendment of the Market Surveillance Law, drafting of complaint procedure and update of the Commentary on CP law (<i>UNDP</i>)
<p>Output 6: Consumer protection capabilities developed in 6 pilot regions</p>	<ul style="list-style-type: none"> • 16. Support the work of CTI and consumer protection associations in the regions of Tirana, Durrës, Fier, Lezha, Kukes and Shkodra • 17. Provide legal support for METE implementation of the cross-sectoral strategy “On consumer protection 	<ul style="list-style-type: none"> • Activity 6.1: Capacity development needs assessment of the consumer protection associations Development and implementation of a training programme in favor of the central structures and regional/local focal points of the associations 	<ul style="list-style-type: none"> • Activity 6.1: Capacity development needs assessment of the consumer protection associations (<i>UNDP</i>) • Activity 6.2: Formulation and implementation of a national consumer awareness campaign (airing of TV spots on consumer rights) (re-programmed resources) (<i>UNDP</i>)

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
	<p>and market surveillance”, particularly for the drafting of secondary legislation</p> <ul style="list-style-type: none"> • 18. Capacity development of state bodies responsible for consumer protection (CTI, market surveillance department), as well as for consumer associations, for issues related to: <ul style="list-style-type: none"> ○ unfair terms in utility contracts with users; ○ redress mechanism available to the consumers 	<ul style="list-style-type: none"> ○ Central level: strategy (mission, objectives, goals), how to structure a consumer protection association, how to gain membership, how to mobilize resources, how to recruit volunteers etc. ○ Local level: consumer legislation, consumer advice, handling of consumer complaints (including redress), informal mediation techniques etc. <p>Support to the establishment and operations of 2 “model” regional Consumer Advisory Centers, with international expert assistance Municipalities must provide premises, pay for utilities and half of the salary of 1 staff (1/4 if METE support for the other 1/4 is secured). The municipalities and/or METE must commit themselves to support the functioning of the center after the completion of the project</p> <ul style="list-style-type: none"> • Activity 6.2: Move above to output 5 • New Activity: Implementation of a national consumer awareness campaign with the consumer associations on the occasion of Consumer Day (15 March 2011), including: <ul style="list-style-type: none"> ○ Preparation of brochures, leaflets ○ Interviews on TV ○ TV clip in cooperation with TV stations (?) ○ Training of media on consumer rights ○ Organization of local workshops animated by the focal points trained 	<ul style="list-style-type: none"> • Activity 6.3: Training of media on consumer rights and on the provisions of the consumer protection law (<i>UNDP</i>)

Output Description	Indicative Activities in the JP Document	List of Activities after Review at Start-up Phase	Current set of Activities being Implemented
		by the project	
Outcome 3: Promote pro-poor utility policies to benefit vulnerable groups, people in need and those living in informal areas			
<p>Output 7: Adequate mechanisms in place to facilitate effective tariff reform</p>	<ul style="list-style-type: none"> • 19. A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers • 20. Undertake a national survey to elicit a willingness to pay for electricity and water as a tool to anchor price increases on revealed preferences of households • 21. Poverty and social impact analysis of tariff reforms in the electricity and water sectors • 22. Analyse potential national mechanisms for the protection of poor and vulnerable strata from tariff increase (e.g., adoption of tariff discount directly from the bill) 	<ul style="list-style-type: none"> • New Activity: Taking stock of available micro-economic data to identify knowledge gaps that the new data collection should address • Activity 7.1: A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers • Activity 7.2: National survey on willingness to pay for electricity and water as a tool to anchor price increases on revealed preferences of households • Activity 7.3: Poverty and social impact analysis (PSIA) of tariff reforms in the electricity and water sectors • Activity 7.4: Analysis of potential national mechanisms for the protection of the poor and vulnerable from tariff increases (e.g. tariff discount directly from the bill) 	<ul style="list-style-type: none"> • Activity 7.1: Taking stock of available micro-economic data to identify knowledge gaps that the new data collection should address (WB) • Activity 7.2: A national study on the effectiveness of support to the poor and the coordination of state agencies with utility providers (WB) • Activity 7.3: National survey on willingness to pay for electricity and water as a tool to anchor price increases on revealed preferences of households (WB) • Activity 7.4: Poverty and social impact analysis of tariff reforms in the electricity and water sectors (WB) • Activity 7.5: Analysis of potential national mechanisms for the protection of the poor and vulnerable from tariff increases (WB)
<p>Output 8: Dialogue between regulatory entities, public utility providers and residents/businesses in informal areas institutionalized</p>	<ul style="list-style-type: none"> • 23. Work with community based organizations and local associations in informal areas to align the legalization of property ownership with the legalization of—and appropriate compensation for—utility service provision 	<ul style="list-style-type: none"> • Activity 8.1: Work with local governments, water companies, CBOs and local NGOs in informal areas to align the legalization of property ownership with the legalization of water service provision 	<ul style="list-style-type: none"> • Activity 8.1: Study on access to water in informal urban settlements and rural areas (UNDP)